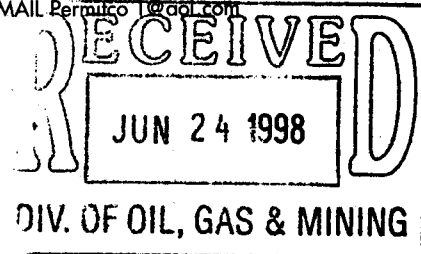




14421 Weld County Rd.10 • Ft. Lupton, Colorado 80621 • (303) 857-9999 • FAX (303) 857-0577 • E-MAIL Permitco1@aol.com

June 18, 1998



Utah Division of Oil, Gas & Mining
1594 West North Temple, Suite 1210
Bpx 145801
Salt Lake City, UT 84114-5801

Attn: John Baza

Re: **Rosewood Resources, Inc.**
Rosewood Federal #19-11
2065' FSL and 1833' FWL
NE SW Sec. 19, T12S - R22E
Uintah County, Utah

Dear John,

Enclosed please find three copies of the Application for Permit to Drill on the above mentioned well along with one copy of the drilling program and surface use plan which has been filed with the BLM in Vernal, Utah.

Please forward the approved copies Lucy Nemec of Rosewood Resources, Inc., P.O. Box 1668, Vernal, UT 84078. Thanks for your assistance in this matter. If you have any questions, please don't hesitate to contact me.

Sincerely,

PERMITCO INC.

Lisa L. Smith
Consultant for:
Rosewood Resources, Inc.

Enc.

cc: **Rosewood Resources, Inc. - Vernal, UT**
Rosewood Resources, Inc. - Dallas, TX

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK	DRILL <input checked="" type="checkbox"/>	DEEPEN <input type="checkbox"/>	
b. TYPE OF WELL	OIL WELL <input checked="" type="checkbox"/>	GAS WELL <input type="checkbox"/>	OTHER <input type="checkbox"/>
2. NAME OF OPERATOR	435/789-0414	P. O. Box 1668 Vernal, UT 84078	
3. ADDRESS AND TELEPHONE NO.	303/857-9999	14421 Weld County Road 10 Fort Lupton, CO 80621	
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)	At Surface 2065' FSL and 1833' FWL ⁶⁶ At proposed prod. zone ⁶³⁰ NE SW Section 19, T12S - R22E		
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*	Approximately 35.85 miles south of Ouray, Utah		
15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any)	1833	1185.12	
18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.	None	5,600'	
21. ELEVATIONS (Show whether DF, RT, GR, etc.)	6,160' ungraded		

5. LEASE DESIGNATION AND SERIAL NO.	UTU-76724
6. IF INDIAN, ALLOTTEE OR TRIBE NAME	N/A
7. UNIT AGREEMENT NAME	N/A
8. FARM OR LEASE NAME, WELL NO.	Rosewood Federal
9. API WELL NO.	#19-11
10. FIELD AND POOL, OR WILDCAT	Wildcat
11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA	Section 19, T12S - R22E
12. COUNTY OR PARISH	Utah
13. STATE	Utah
16. NO. OF ACRES IN LEASE	40 Acres
17. NO. OF ACRES ASSIGNED TO THIS WELL	40 Acres
20. ROTARY OR CABLE TOOLS	Rotary
22. APPROX. DATE WORK WILL START*	August 30, 1998

PROPOSED CASING AND CEMENTING PROGRAM				
SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12-1/4"	9-5/8"	36#	500'	350 sx - circulate to surface
7-7/8"	4-1/2"	11.6#	5,600'	500 sx - top of cement @ DV tool @ 2100'

Rosewood Resources, Inc. proposes to drill a well to 5,600' to test the Wasatch and Mesa Verde Formations. If productive, casing will be run and the well completed. If dry, the well will be plugged and abandoned as per BLM and State of Utah requirements.

See Onshore Order No. 1 attached. **CONFIDENTIAL - TIGHT HOLE**

Please be advised that Rosewood Resources, Inc. is considered to be the Operator of the above mentioned well. Rosewood Resources, Inc. agrees to be responsible under the terms and conditions of the lease for the operations conducted upon the lease lands.

Bond coverage for this well is provided by Nationwide Bond No. MT-0627. The principal is Rosewood Resources, Inc. via surety consent as provided for in 43 CFR 3104.2.

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24. SIGNED <u>Lisa L. Smith</u>	TITLE <u>Authorized Agent for:</u>	DATE <u>6/18/98</u>
<u>Rosewood Resources, Inc.</u>		
(This space for Federal or State office use)		
PERMIT NO. <u>43-047-33144</u>	APPROVAL DATE	
Application approval does not warrant or constitute title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.		
CONDITIONS OF APPROVAL, IF ANY <u>Federal Approval of this Action is Necessary</u>		
APPROVED BY <u>Bradley G. Hill</u>	TITLE <u>BRADLEY G. HILL</u>	DATE <u>6/25/98</u>
<u>RECLAMATION SPECIALIST III</u>		

*See Instructions On Reverse Side

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

R
20
E

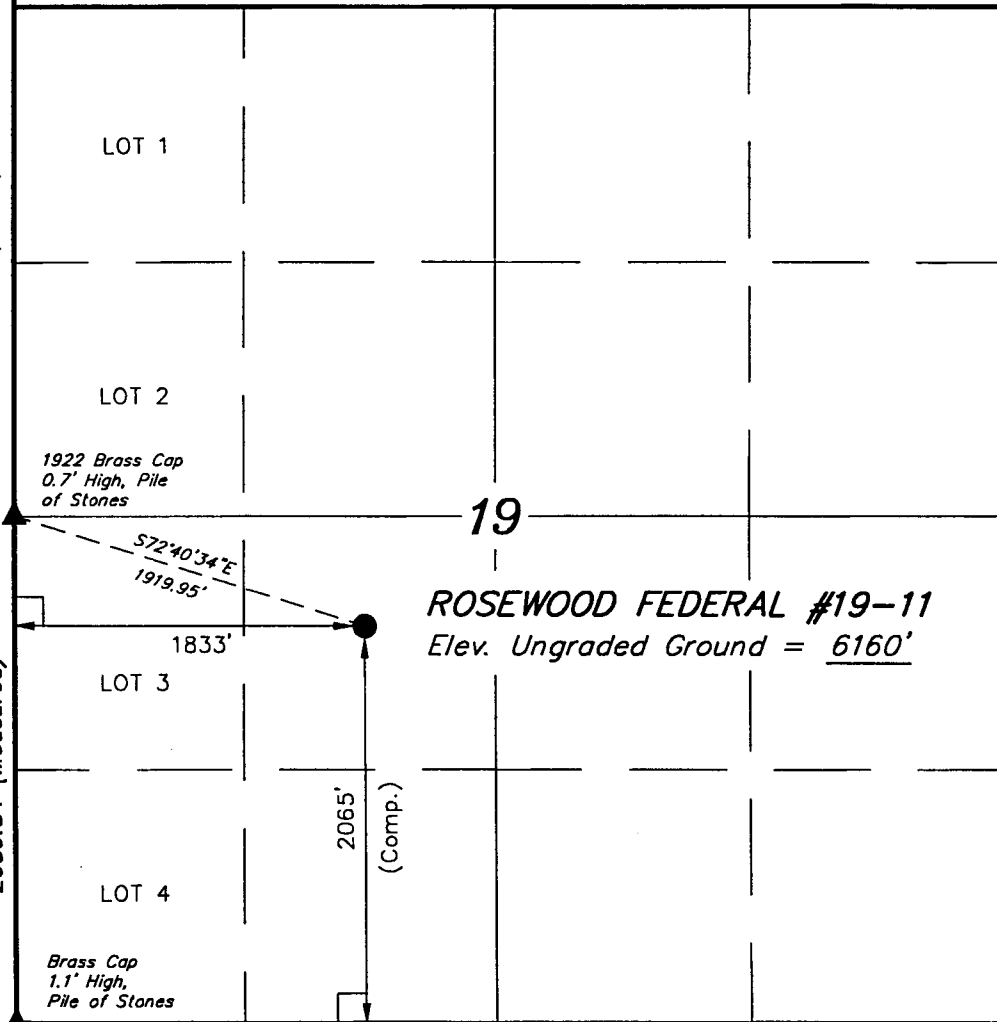
T12S, R22E, S.L.B.&M.

N89°55'E - 78.14 (G.L.O.)

NORTH - (G.L.O.)

NORTH - G.L.O. (Basis of Bearings)
2639.84 (Measured)

N00°03'W - (G.L.O.)



ROSEWOOD FEDERAL #19-11
Elev. Ungraded Ground = 6160'

LEGEND:

- └ = 90° SYMBOL
- = PROPOSED WELL HEAD.
- ▲ = SECTION CORNERS LOCATED.

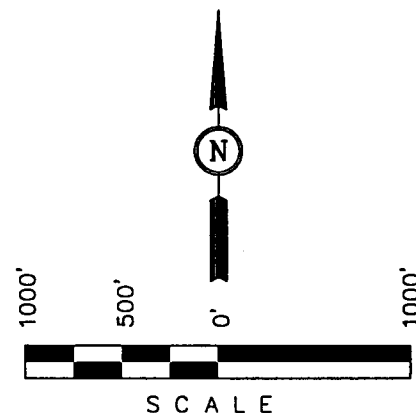
LATITUDE = 39°45'26"
LONGITUDE = 109°29'57"

ROSEWOOD RESOURCES, INC.

Well location, ROSEWOOD FEDERAL #19-11, located as shown in the NE 1/4 SW 1/4 of Section 19, T12S, R22E, S.L.B.&M. Uintah County, Utah.

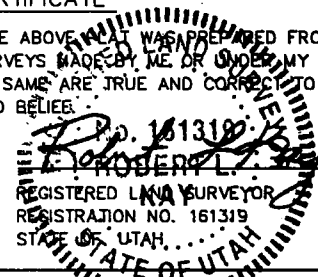
BASIS OF ELEVATION

SPOT ELEVATION AT THE SOUTHWEST CORNER OF SECTION 19, T12S, R22E, S.L.B.&M. TAKEN FROM THE BIG PACK MTN. SE, QUADRANGLE, UTAH, UTAH COUNTY, 7.5 MINUTE QUAD. (TOPOGRAPHIC MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 6271 FEET.



CERTIFICATE

THIS IS TO CERTIFY THAT THE ABOVE WAS PREPARED FROM FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.



UINTAH ENGINEERING & LAND SURVEYING
85 SOUTH 200 EAST - VERNAL, UTAH 84078
(435) 789-1017

SCALE 1" = 1000'	DATE SURVEYED: 03-09-98	DATE DRAWN: 03-13-98
PARTY L.D.T. J.K. D.R.B.	REFERENCES G.L.O. PLAT	
WEATHER COLD	FILE ROSEWOOD RESOURCES, INC.	

ONSHORE OIL & GAS ORDER NO. 1

**Approval of Operations on Onshore
Federal and Indian Oil & Gas Leases**

ROSEWOOD FEDERAL #19-11

**2065' FSL and 1833' FWL
NE SW Sec. 19, T12S - R22E
Uintah County, Utah**

Prepared For:

ROSEWOOD RESOURCES, INC.

By:

**PERMITCO INC.
14421 Weld County Road 10
Ft. Lupton, Colorado 80621
303/857-9999**

Copies Sent To:

- 3 - Bureau of Land Management - Vernal, UT**
- 3 - Utah Division of Oil, Gas & Mining - Salt Lake City, UT**
- 3 - Rosewood Resources, Inc. - Vernal, UT**
- 3 - Rosewood Resources, Inc. - Dallas, TX**
- 1 - Uintah Basin Public Health Dept. - Vernal, UT**

CONFIDENTIAL - TIGHT HOLE



May 4, 1998

Bureau of Land Management
170 South 500 East
Vernal, UT 84078

Attention: Minerals

RE: Rosewood Federal #28-8
SENE Sec. 28, T11S, R22E

Rosewood Federal #19-11
NESW Sec. 19, T12S, R22E

Rosewood Federal #14-6
SENE Sec. 14, T12S, R22E

Rosewood Federal #4-6
SENE Sec. 4, T12S, R22E

Rosewood Federal #5-6
SENE Sec. 5, T12S, R22E

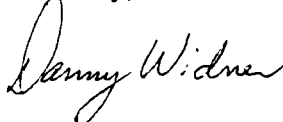
Gentlemen:

This letter is to inform you that Permitco Inc. is authorized to act as Agent and to sign documents on behalf of Rosewood Resources, Inc. when necessary for filing county, state and federal permits including Onshore Order no. 1, Right of Way applications, etc., for the above mentioned wells.

It should be understood that Permitco is acting as Agent only in those matters stated above and is not responsible for drilling, completion, production or compliance with regulations.

Rosewood Resources, Inc. agrees to accept full responsibility for operations conducted in order to drill, complete and produce the above-mentioned wells. If you have any questions, please feel free to contact me at (435) 789-0414.

Sincerely,



Danny Widner
Drilling Manager

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Rosewood Federal #19-11

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ONSHORE ORDER NC
Rosewood Resources, Inc.
Rosewood Federal #19-11
2065' FSL and 1833' FWL
NE SW Sec. 19, T12S - R22E
Uintah County, Utah

CONFIDENTIAL - TIGHT HOLE

Lease No. UTU-76724

DRILLING PROGRAM

Page 1

ONSHORE OIL & GAS ORDER NO. 1
Approval of Operations on Onshore
Federal and Indian Oil and Gas Leases

All lease and/or unit operations will be conducted in such a manner that full compliance is made with applicable laws, regulations (43 CFR 3100), Onshore Oil and Gas Order No. 1, and the approved plan of operations. The operator is fully responsible for the actions of his subcontractors. A copy of these conditions will be furnished the field representative to insure compliance.

1. Estimated Tops of Important Geologic Markers

<u>Formation</u>	<u>Depth</u>	<u>Subsea</u>
Uintah A	Surface	+6,160'
Wasatch	3,080'	+3,080'
Mesa Verde	5,155'	+1,005'
T.D.	5,600'	+ 560'

2. Estimated Depth of Anticipated Water, Oil, Gas or Mineral Formations:

<u>Substance</u>	<u>Formation</u>	<u>Depth</u>
Oil	Wasatch	3,080'-5,155'
Oil	Mesa Verde	5,155'-5,600'

All fresh water prospectively valuable minerals encountered during drilling, will be recorded by depth and adequately protected. All oil and gas shows will be tested to determine commercial potential.

3. Pressure Control Equipment

Rosewood's minimum specifications for pressure control equipment are as follows:

Ram Type: 10" Hydraulic double with annular, 3000 psi w.p.



ONSHORE ORDER NO.
Rosewood Resources, Inc.
Rosewood Federal #19-11
2065' FSL and 1833' FWL
NE SW Sec. 19, T12S - R22E
Uintah County, Utah

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Lease No. UTU-76724

DRILLING PROGRAM
Page 2

Ram type preventers and associated equipment shall be tested to approved stack working pressure if isolated by test plug or to 70 percent of internal yield pressure of casing. Pressure shall be maintained for at least 10 minutes or until requirements of test are met, whichever is longer. If a test plug is utilized, no bleed-off pressure is acceptable. For a test not utilizing a test plug, if a decline in pressure of more than 10 percent in 30 minutes occurs, the test shall be considered to have failed. Valve on casing head below test plug shall be open during test of BOP stack.

Annular type preventers (if used) shall be tested to 50 percent of rated working pressure. Pressure shall be maintained at least 10 minutes or until provisions of test are met, whichever is longer.

As a minimum, the above test shall be performed:

- a. when initially installed;**
- b. whenever any seal subject to test pressure is broken**
- c. following related repairs; and**
- d. at 30-day intervals**

Valves shall be tested from working pressure side during BOPE tests with all down stream valves open.

When testing the kill line valve(s) the check valve shall be held open or the ball removed.

Annular preventers shall be functionally operated at least weekly.

Pipe and blind rams shall be activated each trip, however, this function need not be performed more than once a day.

A BOPE pit level drill shall be conducted weekly for each drilling crew.

Pressure tests shall apply to all related well control equipment.

All of the above described tests and/or drills shall be recorded in the drilling log.



BOP systems shall be consistent with API RP53. Pressure tests will be conducted before drilling out from under casing strings which have been set and cemented in place. Blowout preventer controls will be installed prior to drilling the surface casing plug and will remain in use until the well is completed or abandoned. Preventers will be inspected and operated at least daily to ensure good mechanical working order, and this inspection will be recorded on the daily drilling report. Preventers will be pressure tested before drilling casing cement plugs.

The District Office should be notified, with sufficient lead time, in order to have the BLM representative on location during pressure testing.

- a. The size and rating of the BOP stack is shown on the attached diagram. Although a rig has not been chosen to drill this well, most of the equipment for this depth of hole in the area use a 10", 3000 psi working pressure blowout preventor.**
- b. A choke line and a kill line are to be properly installed. The kill line is not to be used as a fill-up line.**
- c. The accumulator system shall have a pressure capacity to provide for repeated operation of hydraulic preventers.**
- d. Drill string safety valve(s), to fit all tools in the drill string, are to be maintained on the rig floor while drilling operations are in progress.**

4. Proposed Casing and Cementing Program:

- a. The proposed casing and cementing program shall be conducted as approved to protect and/or isolate all usable water zones, potentially productive zones, lost circulation zones, abnormally pressured zones, and any prospectively valuable deposits of minerals. Any isolating medium other than cement shall receive approval prior to use. The casing setting depth shall be calculated to position the casing seat opposite a competent formation which will contain the maximum pressure to which it will be exposed during normal drilling operations. Determination of casing setting depth shall be based on all relevant factors, including; presence/absence of hydrocarbons; fracture**



gradients; usable water zones; formation pressures; lost circulation zones; other minerals; or other unusual characteristics. All indications of usable water shall be reported.

- b. Casing design shall assume formation pressure gradients of 0.44 to 0.50 psi per foot for exploratory wells (lacking better data).
- c. Casing design shall assume fracture gradients from 0.70 to 1.00 psi per foot for exploratory wells (lacking better data)
- d. Casing collars shall have a minimum clearance of 0.422 inches of all sides in the hole/casing annulus, with recognition that variances can be granted for justified exceptions.
- e. All waiting on cement times shall be adequate to achieve a minimum of 500 psi compressive strength at the casing shoe prior to drilling out.
- f. All casing except the conductor casing, shall be new or reconditioned and tested used casing that meets or exceeds API standards for new casing.
- g. The surface casing shall be cemented back to surface either during the primary cement job or by remedial cementing.
- h. All indications of usable water shall be reported to the authorized officer prior to running the next string of casing or before plugging orders are requested, whichever occurs first.
- i. Three centralizers will be run on the bottom three joints of surface casing with a minimum of one centralizer per joint starting with the shoe joint.
- j. Top plugs shall be used to reduce contamination of cement by displacement fluid. A bottom plug or other acceptable technique, such as a suitable preflush fluid, inner string cement method, etc. shall be utilized to help isolate the cement from contamination by the mud fluid being displaced ahead of the cement slurry.



ONSHORE ORDER NO
Rosewood Resources, Inc.
Rosewood Federal #19-11
2065' FSL and 1833' FWL
NE SW Sec. 19, T12S - R22E
Uintah County, Utah

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DRILLING PROGRAM

Page 5

- k. All casing strings below the conductor shall be pressure tested to 0.22 psi per foot of casing string length or 1500 psi, whichever is greater, but not to exceed 70 percent of the minimum internal yield. If pressure declines more than 10 percent in 30 minutes, corrective action shall be taken.
- l. On all exploratory wells, and on that portion of any well approved for a 5M BOPE system or greater, a pressure integrity test of each casing shoe shall be performed. Formation at the shoe shall be tested to a minimum of the mud weight equivalent anticipated to control the formation pressure to the next casing depth or at total depth of the well. This test shall be performed before drilling more than 20 feet of new hole.
- m. The proposed casing program will be as follows:

<u>Purpose</u>	<u>Depth</u>	<u>Hole Size</u>	<u>O.D.</u>	<u>Weight</u>	<u>Grade</u>	<u>Type</u>	<u>New or Used</u>
Surface	0-500'	12-1/4"	9-5/8"	36#	J-55	ST&C	New
Produc.	0-5600'	7-7/8"	4-1/2"	11.6#	N-80	LT&C	New

- n. Casing design subject to revision based on geologic conditions encountered.
- o. The cement program will be as follows:

Surface
0-500'

Type and Amount
350 sx Class "G" containing 2% CaCl₂ and 1/4# sk Cello-flake or sufficient to circulate to surface.

Production
0-5600'

Type and Amount
1st Stage: 500 sx Class "G" + 10% salt + 10% Gypsum + 0.6% FL-52. Top of cement on 1st stage at approximately 3400'. Cement stage tool will be set at approximately 3000'.

2nd Stage: 200 sx Class "G" + 3% salt + 16% gel + 5#/sk Gilsonite, + .25#/sk celloflake. Top of cement on 2nd stage at surface.



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Rosewood Federal #19-11
2065' FSL and 1833' FWL
NE SW Sec. 19, T12S - R22E
Uintah County, Utah

CONFIDENTIAL - TIGHT HOLE

Lease No. UTU-76724

DRILLING PROGRAM
Page 6

- p. Anticipated cement tops will be reported as to depth; not the expected number of sacks of cement to be used. The District Office should be notified, with sufficient lead time, in order to have a BLM representative on location while running all casing strings and cementing.
- q. After cementing but before commencing any test, the casing string shall stand cemented until the cement has reached a compressive strength of at least 500 psi at the shoe. WOC time shall be recorded in the driller's log.
- r. The following reports shall be filed with the District Manager within 30 days after the work is completed.
 - 1. Progress reports, Form 3160-5 (formerly 9-331) "Sundry Notices and Reports on Wells", must include complete information concerning:
 - a. Setting of each string of casing, showing the size, grade, weight of casing set, hole size, setting depth, amounts and type of cement used, whether cement circulated or the top of the cement behind the casing, depth of cementing tools used, casing test method and results, and the date work was done. Show the spud date on the first reports submitted.
 - b. Temperature or bond logs must be submitted for each well where the casing cement was not circulated to the surface.
- s. Auxiliary equipment to be used is as follows:
 - 1. Kelly cock
 - 2. No bit float is deemed necessary.
 - 3. A sub with a full opening valve.



5. Mud Program

- a. The proposed circulating mediums to be employed in drilling are as follows:

<u>Interval</u>	<u>Mud Type</u>	<u>Mud Wt.</u>	<u>Visc.</u>	<u>F/L</u>	<u>PH</u>
0-300'	Air/Clear Water	8.3	---	N/C	---
300-2000'	Clear Water	8.3	---	N/C	---
2000'-5600'	Water/Gel	8.4-9.7	30-40	8	---

There will be sufficient mud on location to control a blowout should one occur.

A mud test shall be performed every 24 hours after mudding up to determine, as applicable: density, viscosity, gel strength, static filtration loss, and Ph.

- b. Mud monitoring equipment to be used is as follows:
1. Periodic checks will be made each tour of the mud system. The mud level will be checked visually.
- c. No chromate additives will be used in the mud system on Federal and/or Indian lands without prior BLM approval to ensure adequate protection of fresh water aquifers.
- d. No chemicals subject to reporting under SARA Title III in an amount equal to or greater than 10,000 pounds will be used, produced, stored, transported, or disposed of annually in association with the drilling of this well. Furthermore, no extremely hazardous substances, as defined in 40 CFR 355, in threshold planning quantities, will be used, produced, stored, transported, or disposed of in association with the drilling of this well.
- e. The use of materials under BLM jurisdiction will conform to 43 CFR 3610.2-3.



6. Evaluation Program

The anticipated type and amount of testing, logging and coring are as follows:

- a. No drill stem tests are anticipated, however, if DST's are run, the following requirements will be adhered to:

Initial opening of drill stem test tools shall be restricted to daylight hours unless specific approval to start during other hours is obtained from the authorized officer. However, DST's may be allowed to continue at night if the test was initiated during daylight hours and the rate of flow is stabilized and if adequate lighting is available (i.e. lighting which is adequate for visibility and vapor-proof for safe operations). Packers can be released, but tripping shall not begin before daylight, unless prior approval is obtained from the authorized officer. Closed chamber DSTs may be accomplished day or night.

A DST that flows to the surface with evidence of hydrocarbons shall be either reversed out of the testing string under controlled surface conditions. This would involve provided some means for reverse circulation.

Separation equipment required for the anticipated recovery shall be properly installed before a test starts.

All engines within 100 feet of the wellbore that are required to "run" during the test shall have spark arresters or water cooled exhausts.

- b. An AIT/GR/CDL/ML/GR will be run from surface casing to T.D.
- c. No cores will be run.
- d. Whether the well is completed as a dry hole or as a producer, "Well Completion and Recompletion Report and Log" (Form 3160-4) will be submitted not later than 30 days after completion of the well or after completion of operations being performed, in accordance with 43 CFR 3164. Two copies of all logs, core descriptions, core analyses, well-test data, geologic summaries, sample description, and all other surveys or data obtained and



compiled during the drilling, workover, and/or completion operations, will be filed with form 3160-4. Samples (cuttings, fluids, and/or gases) will be submitted when requested by the authorized officer (AO).

- e. The anticipated completion program will be to test prospective zones in Mesa Verde and Wasatch Formations by perforating and fracture stimulation.
- f. Daily drilling and completion progress reports shall be submitted to the BLM in Vernal on a weekly basis.

7. Abnormal Temperatures or Pressures

- a. The expected bottom hole pressure is 3000 psi.
- b. No hydrogen sulfide gas is anticipated and no abnormal pressures or temperatures are anticipated.

8. Anticipated Starting Dates and Notification of Operations

- a. Drilling will commence August 30, 1998.
- b. It is anticipated that the drilling of this well will take approximately 10 days.
- c. The BLM in Vernal, Utah shall be notified of anticipated date of location construction commencement and of anticipated spud date.
- d. No location will be constructed or moved, no well will be plugged, and no drilling or workover equipment will be removed from a well to be placed in a suspended status without prior approval of the AO. If operations are to be suspended, prior approval of the AO will be obtained and notification given before resumption of operations.
- e. The spud date will be reported orally to the AO within 48 hours after spudding. If the spudding occurs on a weekend or holiday, the report will be submitted on the following regular work day. The oral report will be followed up with a Sundry Notice.



- f. In accordance with Onshore Oil and Gas Order No. 1, this well will be reported on Form 3160-6 "Monthly Report of Operations", starting with the month in which operations commence and continue each month until the well is physically plugged and abandoned. This report will be filed with the Vernal BLM District Office, 170 South 500 East, Vernal, UT 84078.
- g. Immediate Report: Spills, blowouts, fires, leaks, accidents, or any other unusual occurrences shall be promptly reported in accordance with the requirements of NTL-3A or its revision.
- h. If a replacement rig is contemplated for completion operations, a "Sundry Notice" Form 3160-5 to that effect will be filed, for prior approval of the AO, and all conditions of this approved plan are applicable during all operations conducted with the replacement rig.
- i. Should the well be successfully completed for production, the AO will be notified when the well is placed in a producing status. Such notification will be sent by telegram or other written communications, not later than 5 days following the date on which the well is placed on production.
- j. Pursuant to Onshore Order No. 7, with the approval of the District Engineer, produced water may be temporarily disposed of into unlined pits for a period of up to 90 days. During the period so authorized, an application for approval of the permanent disposal method, along with the required water analysis and other information, must be submitted to the District Engineer.
- k. Pursuant to NTL-4A, lessees or operators are authorized to vent/flare gas during initial well evaluation tests, not exceeding a period of 30 days or the production of 50 MMCF of gas, whichever occurs first. An application must be filed with the District Engineer and approval received, for any venting/flaring of gas beyond the initial 30 day or authorized test period.
- l. A schematic facilities diagram as required by 43 CFR 3162.7-5 (b.9.d.), shall be submitted to the appropriate District Office within sixty (60) days of installation or first production, whichever occurs first. All site security regulations as specified in Onshore Order No. 3 shall be adhered to. All



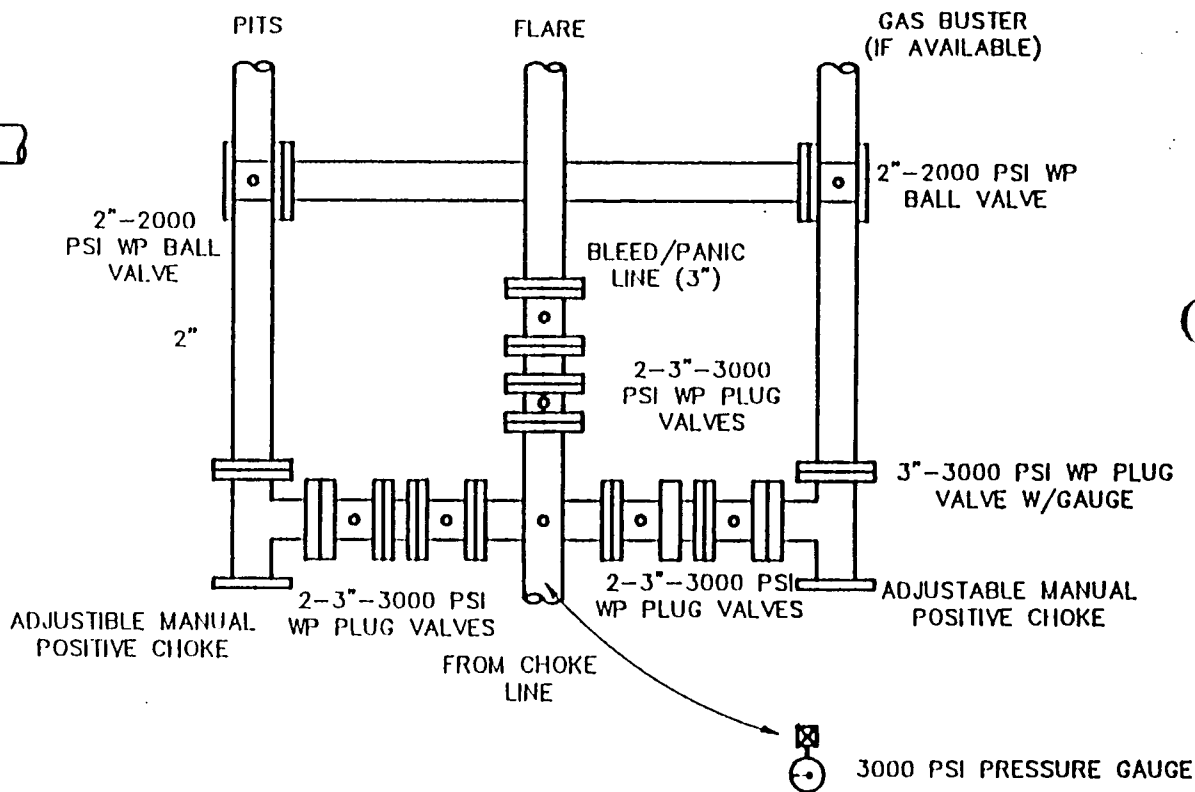
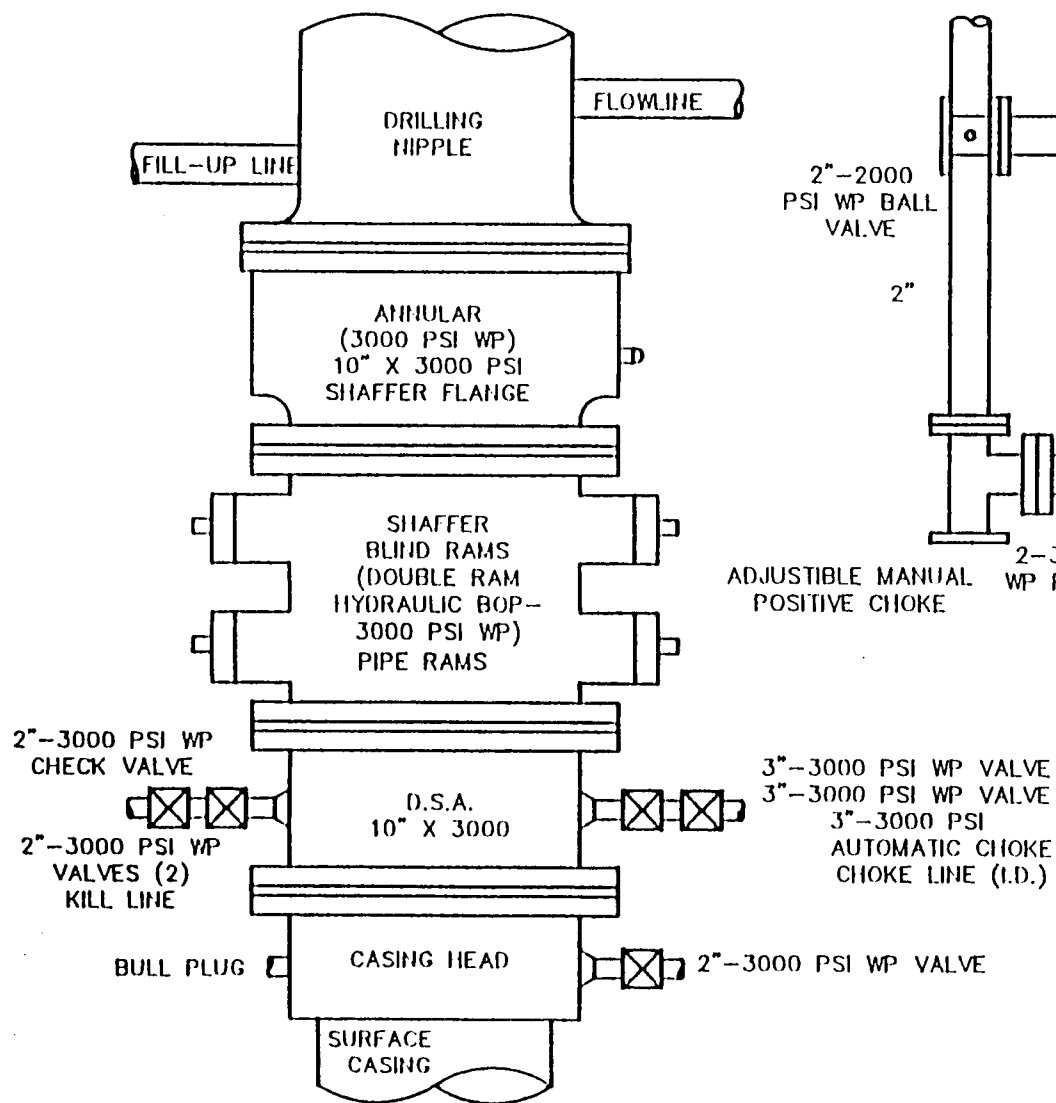
product lines entering and leaving hydrocarbon storage tanks will be effectively sealed in accordance with 43 CFR 3162.7-5 (b.4.).

- m. A first production conference will be scheduled within 15 days after receipt of the first production notice.
- n. No well abandonment operations will be commenced without the prior approval of the AO. In the case of newly drilled dry holes or failures, and in emergency situations, oral approval will be obtained from the SO. A "Subsequent Report of Abandonment" Form 3160-5, will be filed with the AO within 30 days following completion of the well for abandonment. This report will indicate where plugs were placed and the current status of surface restoration. Final abandonment will not be approved until the surface reclamation work required by the approved APD or approved abandonment notice has been completed to the satisfaction of the AO or his representative, or the appropriate Surface Managing Agency.
- o. Pursuant to Onshore Oil and Gas Order No. 1, lessees and operators have the responsibility to see that their exploration, development, production, and construction operations are conducted in a manner which conforms with applicable Federal laws and regulations and with State and local laws and regulations to the extent that such State and local laws are applicable to operations on Federal or Indian lands.



BOP SCHEMATIC 3000 PSI WORKING PRESSURE

PLAN VIEW CHOKE MANIFOLD



THE HYDRAULIC CLOSING UNIT WILL BE LOCATED MORE THAN 30' FROM THE WELLHEAD. CHOKE AND BLEED/PANIC LINES WILL GO TO THE PIT AND FLARE. ALL CONNECTIONS IN CHOKE LINES AND MANIFOLD WILL BE FLANGED OR WELDED. ALL FLANGES SHOULD BE RING JOINT GASKET TYPE. ALL TURNS IN LINES SHALL BE CONSTRUCTED USING TARGETING 90° TEES OR ELLS. ALL LINES SHALL BE ANCHORED.

ONSHORE ORDER NO. 1
Rosewood Resources, Inc.
Rosewood Federal #19-11
2065' FSL and 1833' FWL
NE SW Sec. 19, T12S - R22E
Uintah County, Utah

CONFIDENTIAL - TIGHT HOLE

Lease No. UTU-76724

SURFACE USE PLAN
Page 1

ONSHORE OIL & GAS ORDER NO. 1

NOTIFICATION REQUIREMENTS

- | | |
|--|---|
| Location Construction - | forty-eight (48) hours prior to construction of location and access roads. |
| Location Completion - | prior to moving on the drilling rig. |
| Spud Notice - | at least twenty-four (24) hours prior to spudding the well. |
| Casing String and Cementing - | twenty-four (24) hours prior to running casing and cementing all casing strings. |
| BOP and Related Equipment Tests - | twenty-four (24) hours prior to initiating pressure tests. |
| First Production Notice - | within five (5) business days after new well begins or production resumes after well has been off production for more than ninety (90) days. |

The onsite inspection for the subject well was conducted on Tuesday, May 5, 1998 at approximately 2:40 p.m. Weather conditions were warm and sunny. In attendance at the onsite inspection were the following individuals:

Lisa Smith
Robert Kay
Byron Tolman
Steve Strong
Danny Widner
Charlie Foster

Permitco Inc.
Uintah Engineering and Land Surveying
Bureau of Land Management
Bureau of Land Management
Rosewood Resources, Inc.
Rosewood Resources, Inc.

1. Existing Roads

- a. The proposed well site is located approximately 35.85 miles south of Ouray, Utah.



- b. **Directions to the location from Ouray, Utah are as follows:**

Proceed southerly on the Seep Ridge Road for 24.5 miles to a fork in the road. Turn left onto an existing two-track road and proceed northerly past the Brown Corral for 1.2 miles. Turn right onto the new access and proceed approximately 0.15 miles to the location.

- c. **For location of access roads within a 2-Mile radius, see Maps A & B.**
- d. **Improvement to the existing access (BLM and County Roads) will not be necessary.**
- e. **All existing roads will be maintained and kept in good repair during all drilling and completion operations associated with this well.**
- f. **Existing roads and newly constructed roads on surface under the jurisdiction of any Surface Managing Agency shall be maintained in accordance with the standards of the SMA.**

2. Planned Access Roads

- a. **The last 1.2 miles of existing two-track road will be flatbladed with minimal disturbance. The remainder of the access is maintained by the county road department or is a BLM road.**
- b. **The maximum grade of the new construction will be approximately 3%.**
- c. **No turnouts are planned.**
- d. **One low water crossing will be installed along the two-track trail. There are no major cuts and fills. No culverts and/or bridges will be required.**
- e. **The new access road was centerline flagged at the time of staking.**
- f. **The use of surfacing material is not anticipated, however it may be necessary depending on weather conditions.**



- g. No cattleguards will be necessary.
- h. Surface disturbance and vehicular travel will be limited to the approved location and approved access route. Any additional area needed will be approved in advance.
- i. Access roads and surface disturbing activities will conform to standards outlined in the Bureau of Land Management and Forest Service publication: Surface Operating Standards for Oil and Gas Exploration and Development, (1989).
- j. The road will be constructed/upgraded to meet the standards of the anticipated traffic flow and all weather road requirements. Construction/upgrading shall include ditching, draining, graveling, crowing and capping the roadbed as necessary to provide a well constructed safe road. Prior to upgrading, the road shall be cleared of any snow cover and allowed to dry completely. Traveling off the 30 foot right-of-way will not be allowed. Road drainage crossings shall be of the typical dry creek drainage crossing type. Crossings shall be designed so they will not cause siltation or accumulation of debris in the drainage crossing nor shall the drainages be blocked by the roadbed. Erosion of drainage ditches by runoff water shall be prevented by diverting water off at frequent intervals by means of cutouts. Upgrading shall not be allowed during muddy conditions. Should mud holes develop, they shall be filled in and detours around them avoided.
- k. If the well is productive, additional water drainage will be installed along the new portion of access road to keep the water off the road.
- l. No chemicals subject to reporting under SARA Title III in an amount equal to or greater than 10,000 pounds will be used, produced, stored, transported, or disposed of annually in association with the drilling of this well. Furthermore, no extremely hazardous substances, as defined in 40 CFR 355, in threshold planning quantities, will be used, produced, stored, transported, or disposed of in association with the drilling of this well.



- m. A road right of way will be required for approximately 3200 feet after leaving the Seep Ridge road in the NE SE of Section 25, T12S - R21E. The road will continue in a northerly direction until reaching the lease boundary in the SW SW of Section 19, T12S - R22E. This right of way will be submitted separately under SF-299 along with the appropriate filing fees.

3. Location of Existing Wells Within a 1-Mile Radius of the Proposed Location. See Map "B".

- a. Water wells - none
- b. Injection wells - none
- c. Producing wells - none
- d. Drilling wells - none
- e. Shut-in wells - none
- f. Temporarily abandoned wells - none
- g. Disposal wells -none
- h. Abandoned wells - none
- i. Dry Holes - none

4. Location of Tank Batteries and Production Facilities.

- a. All permanent structures (onsite for six months or longer) constructed or installed (including oil well pump jacks) will be painted Juniper Green. All facilities will be painted within six months of installation. Facilities required to comply with the Occupational Safety and Health Act (OSHA) will be excluded.



- b. If storage facilities/tank batteries are constructed on this lease, the facility/battery or the wellpad shall be surrounded by a containment dike of sufficient capacity to contain at a minimum, the entire content of the largest tank within the facility/battery, unless more stringent protective requirements are deemed necessary by the authorized officer.
- c. A typical production layout is attached. If at the time of production it is determined that an alternate layout is necessary, a Sundry Notice will be submitted showing placement of all production facilities prior to construction.
- d. All loading lines will be placed inside the berm surrounding the tank battery.
- e. Gas meter runs for each well will be located within 500 feet of the wellhead. The gas flowline will be buried or anchored down from the wellhead to the meter and 500 feet downstream of the meter run or any production facilities. Meter runs will be housed and/or fenced.
- f. The oil and gas measurement facilities will be installed on the well location. The oil and gas meters will be calibrated in place prior to any deliveries. Tests for meter accuracy will be conducted monthly for the first three months on new meter installations and at least quarterly thereafter. The AO will be provided with a date and time for the initial meter calibration and all future meter proving schedules. A copy of the meter calibration reports will be submitted to the Vernal District Office. All meter measurement facilities will conform with Onshore Oil and Gas Order No. 4 for liquid hydrocarbons and Onshore Oil and Gas Order No. 5 for natural gas measurement.
- g. If at any time the facilities located on public land and authorized by the terms of the lease are no longer included in the lease (due to a contraction in the unit or other lease or unit boundary change), BLM will process a change in authorization to the appropriate statute. The authorization will be subject to appropriate rental or other financial obligation as determined by the authorized officer.



- h. Any necessary pits will be properly fenced to prevent any wildlife entry.**
- i. All site security guidelines identified in 43 CFR 3162.7 regulations will be adhered to.**
- j. All off-lease storage, off-lease measurement, or commingling on-lease or off-lease will have prior written approval from the District Manager.**
- k. All access roads will be maintained as necessary to prevent erosion and accommodate year-round traffic.**
- l. The road will be maintained in a safe useable condition.**
- m. The surface pipeline will be 4" welded steel and will be 6,200 feet in length. The pipeline route is shown on Map "C".**

5. Location and Type of Water Supply

- a. The proposed water source is a water well to be drilled on the wellpad. If this source should be insufficient, additional water will be obtained from the Rock House #5A or Bitter Creek. Copies of approved water permits will be sent to the BLM, upon approval from the Utah Division of Water Rights once copies are received.**
- b. Water will be pumped into the reserve pit from the water well on location. If water is hauled, it will be hauled over the roads shown on Maps A and B.**

6. Source of Construction Material

- a. Surface and subsoil materials in the immediate area will be utilized.**
- b. Any gravel used will be obtained from a commercial source.**



- c. The use of materials under BLM jurisdiction will conform with 43 CFR 3610.2.3. Construction material will not be located on lease.
- d. No construction materials will be removed from Federal land.

7. Methods of Handling Waste Disposal

- a. The reserve pit will be constructed so as not to leak, break, or allow discharge.
- b. If it is necessary to blast the pit area during construction, an inspection of the pit will be made by a representative of the BLM with a representative of Rosewood Resources, Inc. and it will be determined if a reserve pit liner is necessary. If fractured rock is encountered, the pit will be first lined with sufficient bedding (either straw or dirt) to cover any rocks. The liner will overlap the pit walls and be covered with dirt and/or rocks to hold it in place. No trash, scrap pipe, etc., that could puncture the liner will be disposed of in the pit. More stringent protective requirements may be deemed necessary by the A.O.
- c. Burning will not be allowed. All trash will be contained in a trash cage and its contents removed at the end of drilling operations and hauled to an approved disposal sight.
- d. After first production, produced waste water will be confined to a unlined pit or storage tank for a period not to exceed ninety (90) days. During the 90-day period, in accordance with Onshore Order No. 7, an application for approval of a permanent disposal method and location, along with the required water analysis, will be submitted for the AO's approval. Failure to file an application within the time allowed will be considered an incident of noncompliance.
- e. Drill cuttings are to be contained and buried in the reserve pit.



- f. Any salts and/or chemicals which are an integral part of the drilling system will be disposed of in the same manner as the drilling fluid.
- g. A chemical porta-toilet will be furnished with the drilling rig.
- h. The produced fluids will be produced into a test tank until such time as construction of production facilities is completed. Any spills of oil, gas salt water or other produced fluids will be cleaned up and removed.

8. Ancillary Facilities

There are no airstrips, camps, or other facilities planned during the drilling of the proposed well.

9. Well Site Layout

- a. The operator or his/her contractor shall contact the BLM Office at 435/789-1362 forty-eight (48) hours prior to construction activities.
- b. The reserve pit will be located on the northeast side of the location.
- c. The flare pit will be located downwind of the prevailing wind direction on the southeast side, a minimum of 100 feet from the well head and 30 feet from the reserve pit fence.
- d. The stockpiled topsoil (first six inches) will be stored on the northwest side of the location as shown on the Pit & Pad Layout. Topsoil along the access route will be windrowed on the uphill side. A separate topsoil pile will be located near the reserve pit to be used in the initial reclamation of the pit if the well is productive.
- e. Trees will be stockpiled separately from the topsoil and subsoil on the uphill side of the pit.



- f. Access to the wellpad will be from the south as shown on the Pit & Pad Layout.**
- g. See Location Layout for orientation of rig, cross section of drill pad and cuts and fills.**
- h. The location of mud tanks; reserve pit, trash cage; pipe racks; living facilities and soil stockpiles will be shown on the Location Layout.**
- i. During construction, all brush/trees will be removed from the wellpad and access road and stockpiled separately from the topsoil as shown on the Pit & Pad Layout.**
- j. All pits will be fenced according to the following minimum standards:**
 - 1. 39 inch net wire shall be used with at least one strand or barbed wire on top of the net wire (barbed wire is not necessary if pipe or some type of reinforcement rod is attached to the top of the entire fence).**
 - 2. The net wire shall be no more than 2-inches above the ground. The barbed wire shall be 3-inches above the net wire. Total height of the fence shall be at least 42-inches.**
 - 3. Corner posts shall be cemented and/or braced in such a manner to keep the fence tight at all times.**
 - 4. Standard steel, wood, or pipe posts shall be used between the corner braces. Maximum distance between any two posts shall be no greater than 16 feet.**
 - 5. All wire shall be stretched, by using a stretching device, before it is attached to the corner posts.**
- k. The reserve pit fencing will be on three sides during drilling operations and on the fourth side when the rig moves off the location. Pits will be fenced and maintained until cleanup.**



10. Plans for Restoration of Surface

Producing Location

- a. Immediately upon well completion, the location and surrounding area will be cleared of all unused tubing, equipment, debris, materials, trash and junk not required for production.
- b. Immediately upon well completion, any hydrocarbons on the pit shall be removed in accordance with 43 CFR 3162.7-1.
- c. If a plastic nylon reinforced liner is used it shall be torn and perforated before backfilling of the reserve pit.
- d. The reserve pit and that portion of the location not needed for production facilities/operations will be recontoured to the approximate natural contours. The reserve pit will be reclaimed within 120 days from the date of well completion. Before any dirt work takes place, the reserve pit must have all fluids and hydrocarbons removed and all cans, barrels, pipe, etc., will be removed.
- e. Reclamation of unused disturbed areas on the well pad/access road no longer needed for operations, such as cut slopes, and fill areas will be accomplished by grading, leveling and seeding as recommended by the Authorized Officer.

The seed mixture requested by the BLM for reclamation of the drillsite is as follows:

<u>Species</u>	<u>Lbs. PLS/Acre</u>
Fourwing Saltbush	4
Western Wheatgrass	3
Shadscale	3
Black Sage	2

Seeding will be performed in the fall after September 15 or until permanent ground freeze. Any other seeding period will require the



approval of the authorized officer of the BLM. Seed will be broadcast and walked in with a dozer.

- f. The topsoil stockpile will be seeded with Fourwing Saltbush at the rate of 5 lbs./acre

Dry Hole

- g. At such time as the well is plugged and abandoned, the operator shall submit a subsequent report of abandonment and BLM will attach the appropriate surface rehabilitation conditions of approval.

11. Surface Ownership

Access Roads - All roads are County maintained or managed by the Bureau of Land Management.

Wellpad - The well pad is located on lands managed by the BLM.

Mineral Ownership

The minerals are owned by the federal government and have been leased by Rosewood Resources, Inc.

12. Other Information

- a. A Class III archeological survey has been conducted by Sagebrush Archeology. A copy of this report will be submitted directly to the appropriate agencies by Sagebrush Archeology.
- b. The operator is responsible for informing all persons in the areas who are associated with this project that they will be subject to prosecution for knowingly disturbing historic or archaeological sites, or for collecting artifacts. If historic or archaeological materials are uncovered during construction, the operator is to immediately stop work that might further disturb such materials, and contact the authorized officer (AO). Within five working days the AO will inform the operator as to:



- whether the materials appear eligible for the National Register of Historic Places;
 - the mitigation measures the operator will likely have to undertake before the site can be used (assuming in situ preservation is not necessary); and
 - a time frame for the AO to complete and expedited review under 36 CFR 800.11 to confirm, through the State Historic Preservation Officer, that the findings of the AO are correct and that mitigation is appropriate. If the operator wishes, at any time, to relocate activities to avoid the expense of mitigation and/or the delays associated with this process, the AO will assume responsibility for whatever recordation and stabilization of the exposed materials may be required. Otherwise, the operator will be responsible for mitigation costs. The AO will provide technical and procedural guidelines for the conduct of mitigation. Upon verification from the AO that required mitigation has been completed, the operator will then be allowed to resume construction.
- c. The operator will control noxious weeds along rights-of-way for roads, pipelines, well sites, or other applicable facilities. A list of noxious weeds may be obtained from the BLM, or the appropriate County Extension Office. On BLM administered land it is required that a Pesticide Use Proposal shall be submitted, and given approval, prior to the application of herbicides or other pesticides or possible hazardous chemicals.
- d. Drilling rigs and/or equipment used during drilling operations on this wellsite will not be stacked or stored on Federal Lands after the conclusion of drilling operations or at any other time without BLM authorization. However, if BLM authorization is obtained, it is only a temporary measure.
- e. No erosion control structures are proposed at this time.
- f. All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, Onshore Oil and Gas Orders, the approved plan of operations, and any applicable Notice to Lessees. The operator is fully responsible for the actions of his



subcontractors. A copy of these conditions will be furnished the field representative to insure compliance.

- g. A complete copy of the approved APD shall be on location during construction of the location and drilling activities.
- h. There will be no deviation from the proposed drilling and/or workover program without prior approval from the AO. Safe drilling and operating practices must be observed. All wells, whether drilling, producing, suspended or abandoned will be identified in accordance with 43 CFR 3162.
- i. "Sundry Notice and Report on Wells" (Form 3160-5) will be filed for approval for all changes of plans and other operations in accordance with 43 CFR 3162.3-2.
- j. This permit will be valid for a period of one year from the date of approval. An extension period may be granted, if requested, prior to the expiration of the original approval period. After permit termination, a new application will be filed for approval for any future operations.
- k. The operator or his contractor shall contact the BLM Offices at 435/789-1362 48 hours prior to construction activities.
- l. The BLM Office shall be notified upon site completion prior to moving on the drilling rig.
- m. In the event after-hours approvals are necessary, please contact one of the following individuals:

Ed Forsman
Wayne Bankert
BLM Fax Machine

Petroleum Engineer 435/789-7077
Petroleum Engineer 435/789-4170
435/789-3634



ONSHORE ORDER NC
Rosewood Resources, Inc.
Rosewood Federal #19-11
2065' FSL and 1833' FWL
NE SW Sec. 19, T12S - R22E
Uintah County, Utah

CONFIDENTIAL - TIGHT HOLE

Lease No. UTU-76724

SURFACE USE PLAN

Page 14

13. Lessee's or Operator's Representative and Certification

Permit Matters

PERMITCO INC.
Lisa L. Smith
13585 Jackson Drive
Denver, CO 80241
303/452-8888

Drilling & Completion Matters

ROSEWOOD RESOURCES, INC.
P.O. Box 1668
Vernal, UT 84078
435/789-0414 (O)
435/828-6100 (M) - Danny Widner
435/828-6438 (M) - Salty Miller
435/789-0823 (H)

Certification

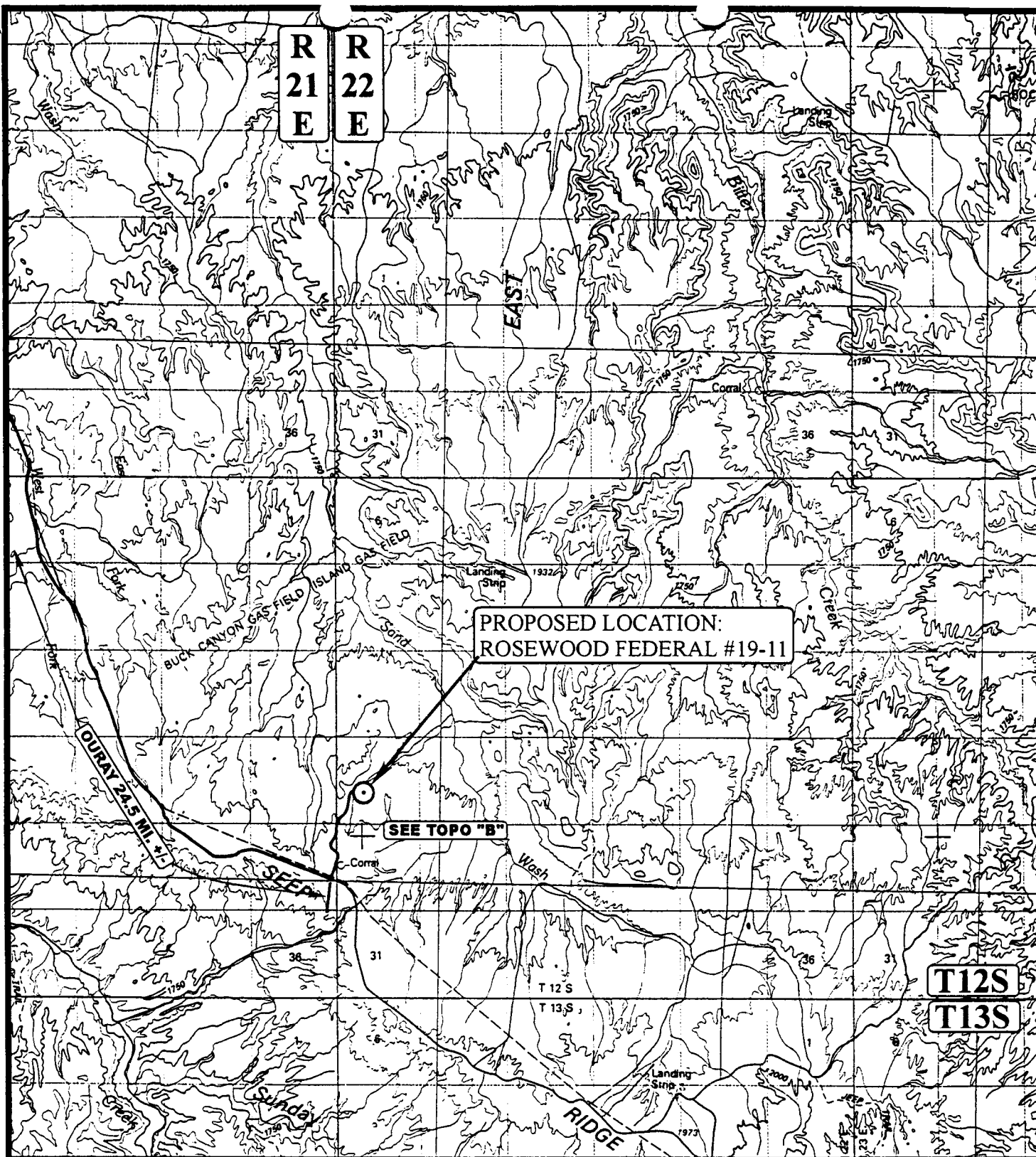
I hereby certify that I, or persons under my direct supervision, have inspected the proposed drillsite and access route; that I am familiar with the conditions which presently exist; that the statements made in this plan are, to the best of my knowledge, true and correct; and, that the work associated with the operations proposed herein will be performed by Rosewood Resources, Inc. and its contractors and subcontractors in conformity with the plan and the terms and conditions under which it is approved.

This statement is subject to the provisions of 18.U.S.C. 1001 for the filing of a false statement.

June 17, 1998
Date:

Lisa L. Smith - PERMITCO INC.
Authorized Agent for:
ROSEWOOD RESOURCES, INC.





LEGEND:

○ PROPOSED LOCATION

ROSEWOOD RESOURCES, INC.

ROSEWOOD FEDERAL #19-11
SECTION 19, T12S, R22E, S.L.B.&M.
2065' FSL 1833' FWL



Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
(435) 789-1017 * FAX (435) 789-1813

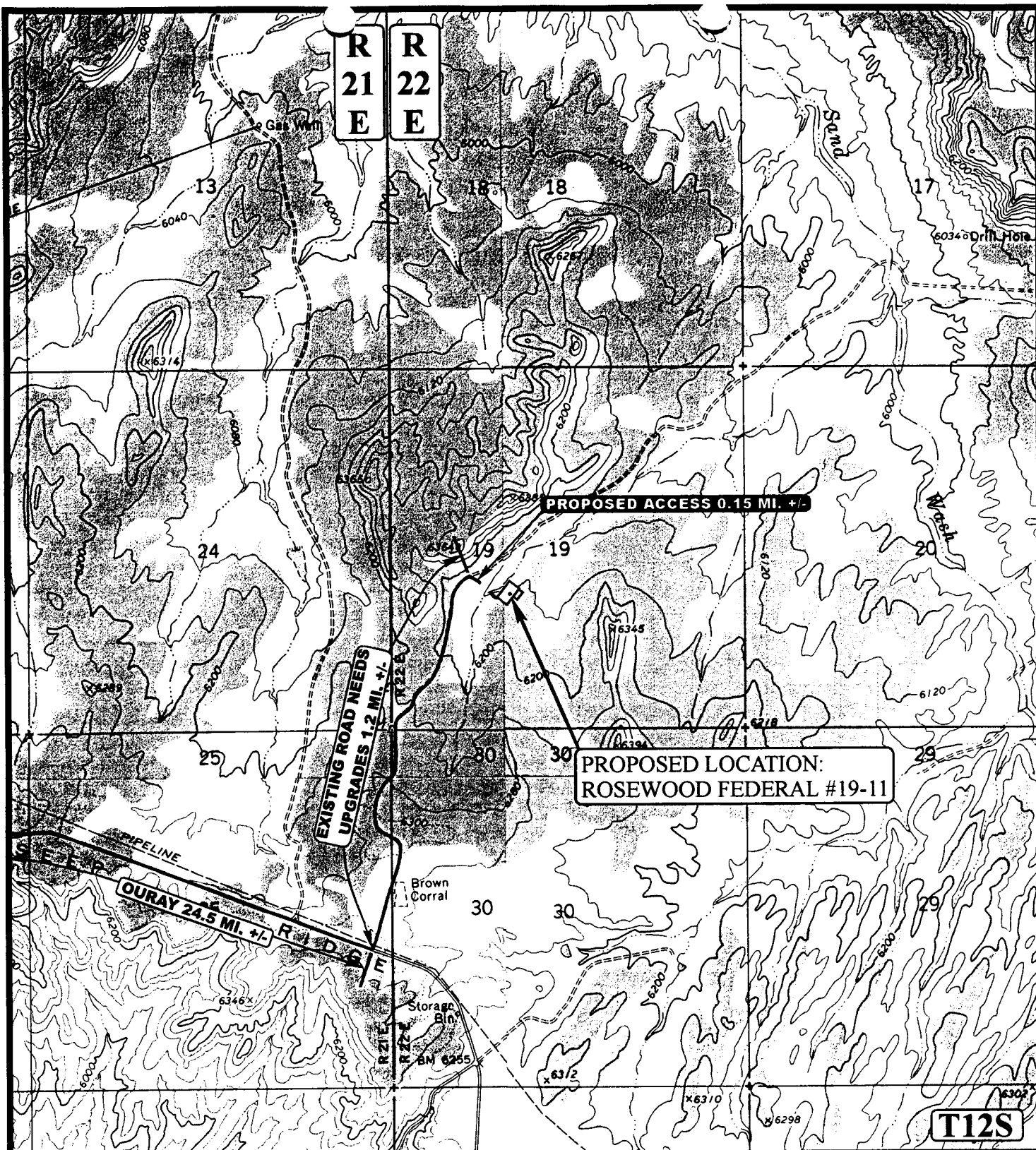


TOPOGRAPHIC
MAP

3 12 98
MONTH DAY YEAR

SCALE: 1 : 100,000 DRAWN BY: C.G. REVISED: 00-00-00





LEGEND:

--- PROPOSED ACCESS ROAD
— EXISTING ROAD

ROSEWOOD RESOURCES, INC.

ROSEWOOD FEDERAL #19-11
SECTION 19, T12S, R22E, S.L.B.&M.
2065' FSL 1833' FWL



Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
(435) 789-1017 * FAX (435) 789-1813

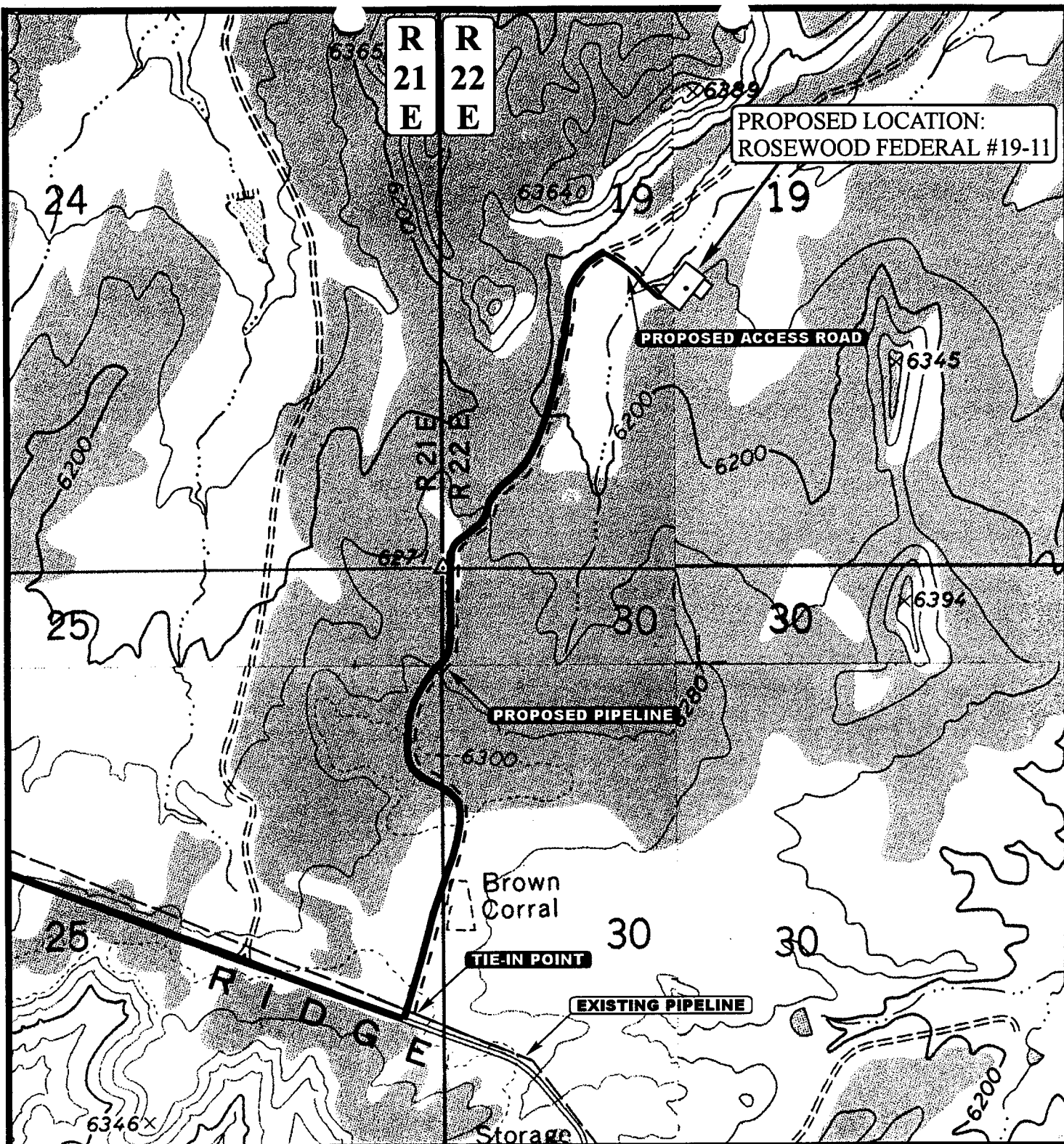


TOPOGRAPHIC
MAP

3 **12** **98**
MONTH DAY YEAR

SCALE: 1" = 2000' DRAWN BY: C.G. REVISED: 00-00-00

B
TOPO



APPROXIMATE TOTAL PIPELINE DISTANCE = 6200' +/-

LEGEND:

- EXISTING PIPELINE
- - - PROPOSED PIPELINE
- PROPOSED ACCESS

ROSEWOOD RESOURCES, INC.

ROSEWOOD FEDERAL #19-11
SECTION 19, T12S, R22E, S.L.B.&M.
2065' FSL 1833' FWL



Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
(435) 789-1017 * FAX (435) 789-1813

TOPOGRAPHIC
MAP

3 25 98
MONTH DAY YEAR

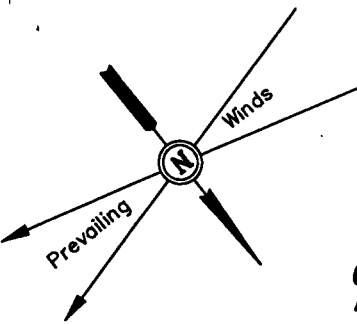
SCALE: 1" = 1000' DRAWN BY: J.L.G. REVISED: 00-00-00



ROSEWOOD RESOURCES, INC.

LOCATION LAYOUT FOR

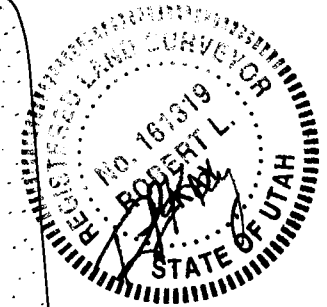
ROSEWOOD FEDERAL #19-11
SECTION 19, T12S, R22E, S.L.B.&M.
2065' FSL 1833' FWL



SCALE: 1" = 50'
DATE: 02-04-98
Drawn By: D.R.B.
Revised: 05-08-98 D.R.B.

Proposed Access Road

Sta. 3+25



Sta. 1+50

F-5.8'
El. 53.6'

Approx.
Toe of
Fill Slope

Sta. 0+00

El. 63.1'
C-13.7'
(btm. pit)

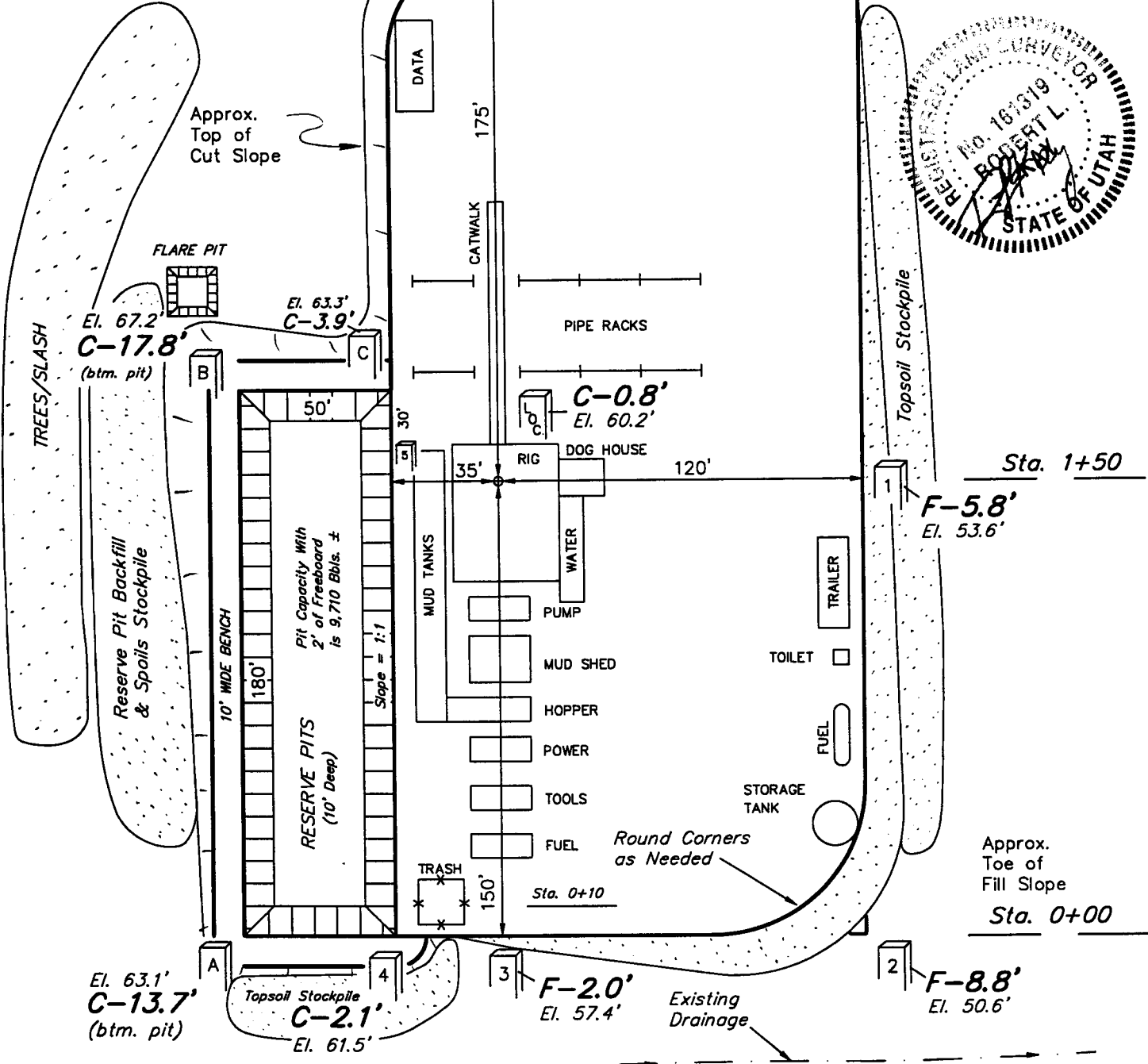
Topsoil Stockpile
C-2.1'
El. 61.5'

F-2.0'
El. 57.4'

F-8.8'
El. 50.6'

Elev. Ungraded Ground at Location Stake = 6160.2'
Elev. Graded Ground at Location Stake = 6159.4'

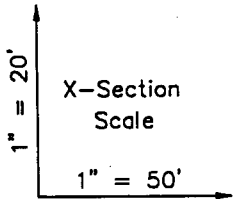
UINTAH ENGINEERING & LAND SURVEYING
85 So. 200 East • Vernal, Utah 84078 • (435) 789-1017



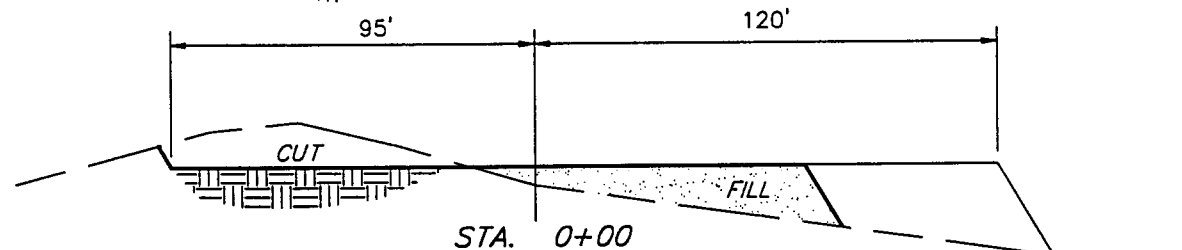
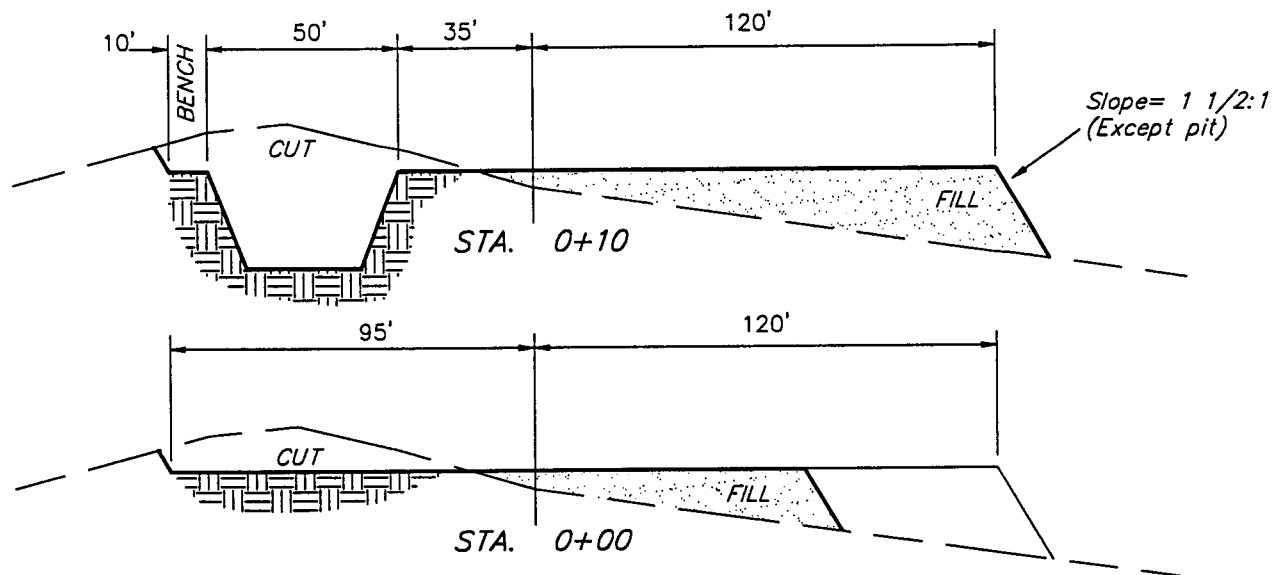
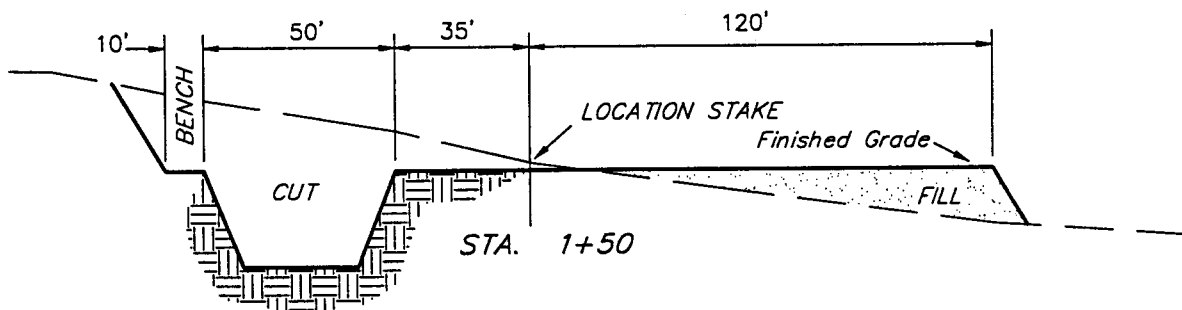
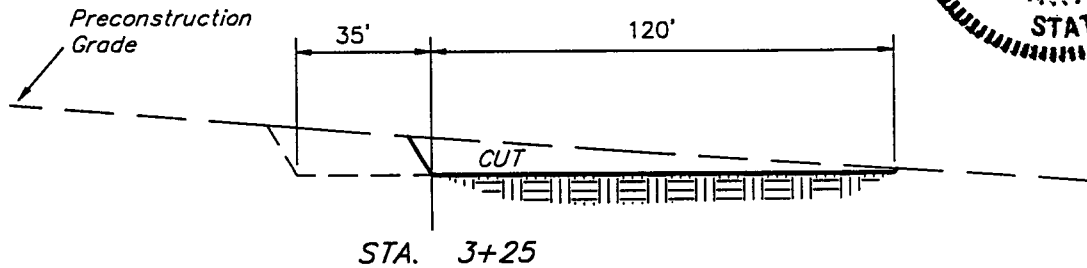
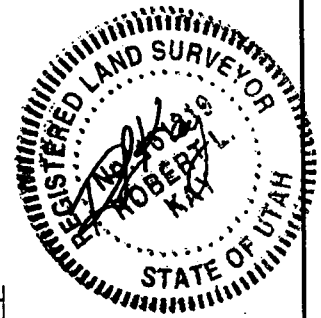
ROSEWOOD RESOURCES, INC.

TYPICAL CROSS SECTIONS FOR

ROSEWOOD FEDERAL #19-11
SECTION 19, T12S, R22E, S.L.B.&M.
2065' FSL 1833' FWL



DATE: 02-04-98
Drawn By: D.R.B.



APPROXIMATE YARDAGES

(6") Topsoil Stripping	= 1,100 Cu. Yds.
Remaining Location	= 6,030 Cu. Yds.
TOTAL CUT	= 7,130 CU.YDS.
FILL	= 4,530 CU.YDS.

EXCESS MATERIAL AFTER 5% COMPACTION	= 2,360 Cu. Yds.
Topsoil & Pit Backfill (1/2 Pit Vol.)	= 2,360 Cu. Yds.
EXCESS UNBALANCE (After Rehabilitation)	= 0 Cu. Yds.

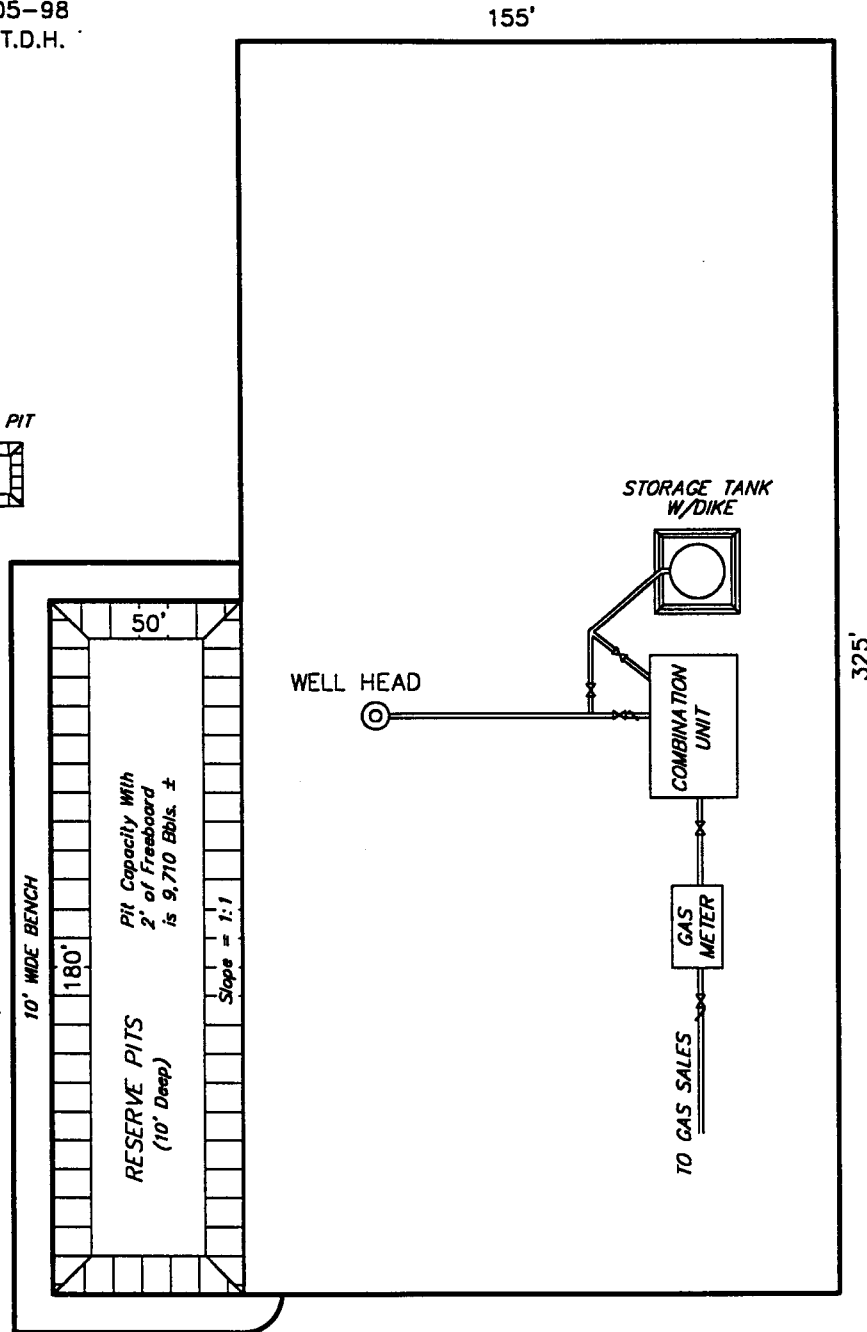
UINTAH ENGINEERING & LAND SURVEYING
85 So. 200 East • Vernal, Utah 84078 • (435) 789-1017

ROSEWOOD RESOURCES, INC.
TYPICAL PRODUCTION FACILITY LAYOUT

ROSEWOOD FEDERAL #19-11
SECTION 19, T12S - R22E
2065' FSL AND 1833' FWL

SCALE: 1" = 50'
DATE: 05-05-98
Drawn By: T.D.H.

FLARE PIT



There are no federal stipulations at this time.



A Class III Archeological Survey has been conducted by Sage Brush Archeology. A copy of this report will be submitted directly to the appropriate agencies by Sagebrush Archeology.



UINTAH BASIN PUBLIC HEALTH DEPARTMENT

Uintah County Office
147 East Main
Vernal, Utah 84078
(801) 781-5475
FAX: (801) 781-5319

Duchesne County Office
734 North Center Street
P.O. Box 210
Duchesne, Utah 84021
(801) 738-2202

Daggett County Office
Daggett County Courthouse
P.O. Box 156
Manila, Utah 84046
(801) 784-3494

Roosevelt Branch Office
34 South 200 East
Roosevelt, Utah 84066
(801) 722-5085

Joseph B. Shaffer, L., M.B.A., E.H.S.
Director/Health Officer

WASTEWATER PERMIT APPLICATION FOR DRILLING SITES

HEALTH DEPARTMENT USE ONLY

Permit #: _____
Fee (\$80.00) received: _____
Approved: _____
Date: _____

DRILLING COMPANY Chandler Drilling RESPONSIBLE PARTY Terry Cox
ADDRESS 475 - 17th St., Suite 100, Denver, CO 80202 PHONE 303/295-0400
DRILLING FOR Rosewood Resources, Inc.
SITE LOCATION Rosewood Federal #19-11 NE SW Section 19, T12S - R22E 2065' FSL and 1833' FWL
APPROXIMATE DATES August 10, 1998 TO _____
SERVICES: POTABLE WATER X YES _____ NO SUPPLIER Mountain West Oil Field Services
CHEMICAL TOILETS X YES _____ NO SUPPLIER Mountain West Oil Field Services
LIVING OR OFFICE UNITS: BUNKHOUSES _____ MOBILE HOMES 3 REC. VEHICLES _____
TOTAL UNITS 3 TOTAL PERSONNEL AT SITE: _____

WASTEWATER DISPOSAL PROPOSED:

X HOLDING TANK AND SCAVENGER PUMPING SERVICE - If this system is used, indicate the licensed
scavenger employed Mountain West Oil Field Services
____ SEPTIC TANK AND ABSORPTION SYSTEM - If this system is proposed, please supply the following
information:
1. A soil log prepared by a certified engineer or sanitation.
2. Indicate the type of absorption system intended:
____ Absorption Field
____ Seepage Trench
____ Seepage Pit
____ Absorption Bed
____ OTHER - Describe proposal in detail on an attached sheet.

In the spaces below, provide a sketch or drawing of the site indicating:

1. Location of water supply and plumbing. See Wellsite Layout Attached
2. Location of living units, offices, etc.
3. Proposed wastewater system layout including septic tank or holding tank and absorption system, if any.

WORKSHEET
APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 06/24/98

API NO. ASSIGNED: 43-047-33144

WELL NAME: ROSEWOOD FED 19-11
OPERATOR: ROSEWOOD RESOURCES INC (N7510)
CONTACT: Lisa Smith (303) 857-9999

PROPOSED LOCATION:

NESW 19 - T12S - R22E
SURFACE: 2065-FSL-1833-FWL
BOTTOM: 2065-FSL-1833-FWL
UINTAH COUNTY
UNDESIGNATED FIELD (002)

LEASE TYPE: FED
LEASE NUMBER: UTU-76724
SURFACE OWNER: Federal

INSPECT LOCATION BY: / /

TECH REVIEW	Initials	Date
Engineering		
Geology		
Surface		

PROPOSED FORMATION: MVRD

RECEIVED AND/OR REVIEWED:

☒ Plat
☒ Bond: Federal ☒ State[] Fee[]
(No. MT-0627)
☒ Potash (Y/N)
☒ Oil Shale (Y/N) *190-5(B)
☒ Water Permit
(No. New Water Well or Bitter Creek)
☒ RDCC Review (Y/N)
(Date: _____)
N/A St/Fee Surf Agreement (Y/N)

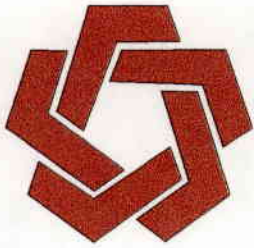
LOCATION AND SITING:

☐ R649-2-3. Unit _____
☒ R649-3-2. General
☐ R649-3-3. Exception
☐ Drilling Unit
Board Cause No: _____
Date: _____

COMMENTS: _____

STIPULATIONS:

① FEDERAL APPROVAL



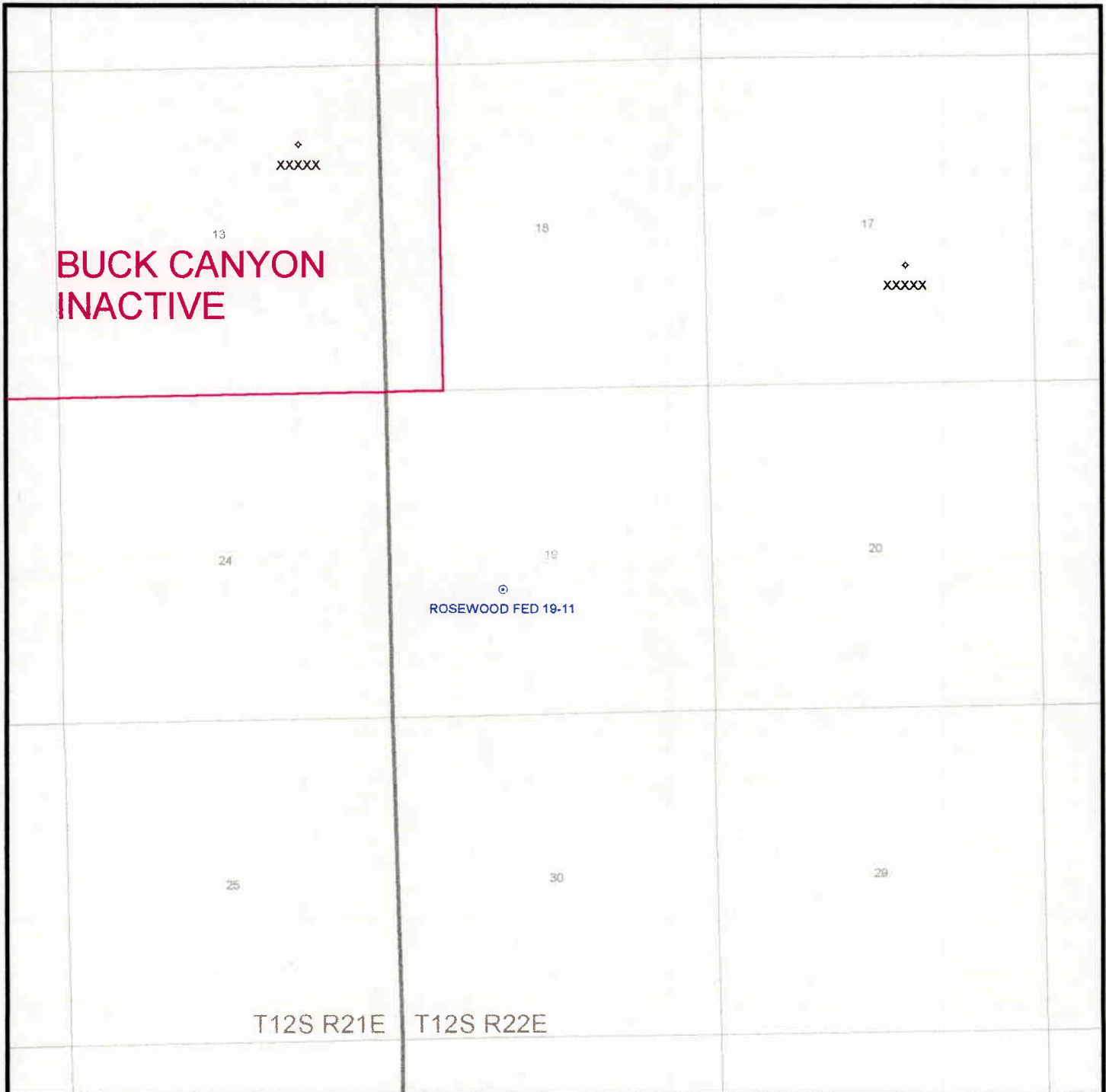
DIVISION OF OIL, GAS & MINING

OPERATOR: ROSEWOOD RESOURCES (N7510)

FIELD: UNDESIGNATED (002)

SEC. 19, TWP 12S, RNG 22E

COUNTY: UINTAH UAC: R649-3-2 STATEWIDE



DATE PREPARED:
24-JUNE-1998



State of Utah
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

1594 West North Temple, Suite 1210

PO Box 145801

Salt Lake City, Utah 84114-5801

801-538-5340

801-359-3940 (Fax)

801-538-7223 (TDD)

Michael O. Leavitt
Governor

Lowell P. Braxton
Division Director

June 25, 1998

Rosewood Resources, Inc.
P.O. Box 1668
Vernal, Utah 84078

Re: Rosewood Federal 19-11 Well, 2065' FSL, 1833' FWL, NE SW,
Sec. 19, T. 12 S., R. 22 E., Uintah County, Utah

Gentlemen:

Pursuant to the provisions and requirements of Utah Code Ann. 40-6-1 et seq., Utah Administrative Code R649-3-1 et seq., and the attached Conditions of Approval, approval to drill the referenced well is granted.

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-047-33144.

Sincerely,

A handwritten signature in dark ink, appearing to read "John R. Baza".
John R. Baza
Associate Director

lwp

Enclosures

cc: Uintah County Assessor

Bureau of Land Management, Vernal District Office

Operator: Rosewood Resources, Inc.
Well Name & Number: Rosewood Federal 19-11
API Number: 43-047-33144
Lease: UTU-76724
Location: NE SW Sec. 19 T. 12 S. R. 22 E.

Conditions of Approval

1. General

Compliance with the requirements of Utah Admin. R. 649-1 et seq., the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for Permit to Drill.

2. Notification Requirements

Notify the Division within 24 hours prior to spudding the well or commencing drilling operations. Contact Jim Thompson at (801) 538-5336.

Notify the Division prior to commencing operations to plug and abandon the well. Contact Dan Jarvis at (801) 538-5338 or Robert Krueger at (801) 538-5274.

3. Reporting Requirements

All required reports, forms and submittals shall be promptly filed with the Division, including but not limited to the Entity Action Form (Form 6), Report of Water Encountered During Drilling (Form 7), Weekly Progress Reports for drilling and completion operations, and Sundry Notices and Reports on Wells requesting approval of change of plans or other operational actions.

4. State approval of this well does not supercede the required federal approval which must be obtained prior to drilling.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
Budget Bureau No. 1004-0135
Expires: March 31, 1993

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reenter a different reservoir.
Use "APPLICATION FOR PERMIT -" for such proposals

5. Lease Designation and Serial No.

UTU- 76724

6. If Indian, Allottee or Tribe Name

N/A

7. If Unit or CA, Agreement Designation

N/A

SUBMIT IN TRIPLICATE

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator

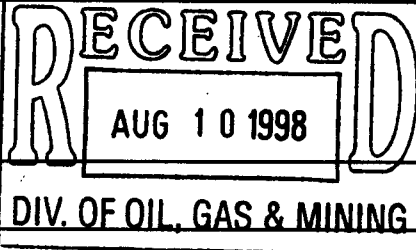
ROSEWOOD RESOURCES, INC.

3. Address and Telephone No.

P.O. BOX 1668, VERNAL, UTAH 435-789-0414

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

2065' FSL AND 1833' FWL
NE/SW SECTION 19, T12S, R22E



CONFIDENTIAL

8. Well Name and No.

ROSEWOOD FEDERAL #19-11

9. API Well No.

43-047-33144

10. Field and Pool, or Exploratory Area

WILDCAT

11. County or Parish, State

UINTAH COUNTY, UTAH

12. CHECK APPROPRIATE BOX(es) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

☒ Notice of Intent
☐ Subsequent Report
☐ Final Abandonment Notice

TYPE OF ACTION

☐ Abandonment
☐ Recompletion
☐ Plugging Back
☐ Casing Repair
☐ Altering Casing
☒ Other ADDENDUM TO APD
☐ Change of Plans
☐ New Construction
☐ Non-Routine Fracturing
☐ Water Shut-Off
☐ Conversion to Injection
☐ Dispose Water

(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*
IF WELL PROVES COMMERCIAL, OPERATOR PROPOSES TO INSTALL ON SURFACE A 4" NOM. SCH. 40 BARE WELDED STEEL GAS SALES PIPELINE. LINE WOULD BE 6200' IN LENGTH. THE PIPELINE ROUTE IS SHOWN ON MAP "C" IN ORIGINAL APD SUBMITTAL. PIPELINE WOULD RUN PARALLEL WITH PROPOSED ACCESS ROAD AND PLACED WITHIN 15' OF BARROW DITCH WHERE POSSIBLE. ALL MATERIALS WILL BE STOCKPILED ON WELLSITE AND/OR PIPELINE TAP. PIPE WILL BE WELDED AND THEN PULLED FROM THESE SITES VIA DOZER IN EASE OF INSTALLATION AND TO MINIMIZE SURFACE DISTURBANCE. CONSTRUCTION WIDTH REQUIRED IS 20'. AN ESTIMATED 3 ACRES WOULD BE INVOLVED DURING CONSTRUCTION. ANTICIPATED MAXIMUM PRESSURE 250#. ANTICIPATED OPERATING PRESSURE 150#. ANY TRENCHING WOULD BE LIMITED TO THE WELLSITE AND ROAD X-INGS. VALVES WOULD BE INSTALLED DOWNSTREAM OF METER RUN AND AT MAIN LINE TAP.

COPY SENT TO OPERATOR
Date: 8-20-98
Initials: KSR

COPIES: ORIG. & 2-BLM; DIV. OG&M; JMCQUILLEN- DALLAS; BWASHINGTON- DALLAS

14. I hereby certify that the foregoing is true and correct

Signed

[Signature]

Title DRILLING SUPT.

Date 07/31/98

(This space for Federal or State office use)

Approved by

Title Oil, Gas and Mining

Date

Conditions of approval, if any:

FOR RECORD ONLY

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK DRILL ☒ DEEPEN ☐

b. TYPE OF WELL OIL WELL ☒ GAS WELL ☐ OTHER ☐ SINGLE ZONE ☒ MULTIPLE ZONE ☐

2. NAME OF OPERATOR 435/789-0414 P. O. Box 1668
Rosewood Resources, Inc. Vernal, UT 84078

3. ADDRESS AND TELEPHONE NO. 303/857-9999 14421 Weld County Road 10
PERMITCO INC. Fort Lupton, CO 80621

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)*
At Surface 2065' FSL and 1833' FWL

At proposed prod. zone NE SW Section 19, T12S - R22E

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
Approximately 35.85 miles south of Ouray, Utah

15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any) 1833

18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. None

21. ELEVATIONS (Show whether DF, RT, GR, etc.) 6,160' ungraded

PROPOSED CASING AND CEMENTING PROGRAM				
SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12-1/4"	9-5/8"	36#	500'	350 sx - circulate to surface
7-7/8"	4-1/2"	11.6#	5,600'	500 sx - top of cement @ DV tool @ 2100'

Rosewood Resources, Inc. proposes to drill a well to 5,600' to test the Wasatch and Mesa Verde Formations. If productive, casing will be run and the well completed. If dry, the well will be plugged and abandoned as per BLM and State of Utah requirements.

See Onshore Order No. 1 attached. **CONFIDENTIAL - TIGHT HOLE**

Please be advised that Rosewood Resources, Inc. is considered to be the Operator of the above mentioned well. Rosewood Resources, Inc. agrees to be responsible under the terms and conditions of the lease for the operations conducted upon the lease lands.

Bond coverage for this well is provided by Nationwide Bond No. MT-0627. The principal is Rosewood Resources, Inc. via surety consent as provided for in 43 CFR 3104.2.

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout prevention program, if any.

24. Lisa L. Smith Authorized Agent for: 17 1998
SIGNED DATE 6/18/98
Rosewood Resources, Inc.

(This space for Federal or State office use)
CONDITIONS OF APPROVAL ATTACHED TO OPERATOR'S COPY

PERMIT NO. APPROVAL DATE
Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.
CONDITIONS OF APPROVAL, IF ANY:

APPROVED BY Assistant Field Manager
Mineral Resources DATE 8/3/98

*See Instructions On Reverse Side

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

98P50488A

CONDITIONS OF APPROVAL
APPLICATION FOR PERMIT TO DRILL

Company/Operator: Rosewood Resources, Inc.

Well Name & Number: Rosewood Federal 19-11

API Number: 43-047-33144

Lease Number: U - 76724

Location: NESW Sec. 19 T.12S R. 22E

For more specific details on notification requirements, please check the Conditions of Approval for Notice to Drill and Surface Use Program.

CONDITIONS OF APPROVAL FOR NOTICE TO DRILL

Approval of this application does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Be aware fire restrictions may be in effect when location is being constructed and/or when well is being drilled. Contact the appropriate Surface Management Agency for information.

A. DRILLING PROGRAM

1. Estimated Depth at Which Oil, Gas, Water, or Other Mineral Bearing Zones are Expected to be Encountered

Report ALL water shows and water-bearing sands to Tim Ingwell of this office **prior to setting the next casing or requesting plugging orders**. Faxed copies of State of Utah form OGC-8-X are acceptable. If noticeable water flows are detected, submit samples to this office along with any water analyses conducted.

All usable water and prospectively valuable minerals (as described by BLM at onsite) encountered during drilling, will be recorded by depth and adequately protected. All oil and gas shows will be tested to determine commercial potential.

2. Pressure Control Equipment

The BOP and related equipment shall meet the minimum requirements of Onshore Oil and Gas Order No. 2 for equipment and testing requirements, procedures, etc., for a **3M** system and individual components shall be operable as designed. Chart recorders shall be used for all pressure tests.

Test charts, with individual test results identified, shall be maintained on location while drilling and shall be made available to a BLM representative upon request.

3. Casing Program and Auxiliary Equipment

As a minimum, the usable water and oil shale resources shall be isolated and/or protected by having a cement top for the production casing at least 200 ft. above the top of the Mahogany oil shale zone, identified at 479 ft. If gilsonite is encountered while drilling, it shall be isolated and/or protected via the cementing program.

4. Mud Program and Circulating Medium

Hazardous substances specifically listed by the EPA as a hazardous waste or demonstrating a characteristic of a hazardous waste will not be used in drilling, testing, or completion operations.

5. Coring, Logging and Testing Program

A cement bond log (CBL) will be run from the production casing shoe to the top of the cement and shall be utilized to determine the bond quality for the production casing. Submit a field copy of the CBL to this office.

6. Notifications of Operations

Operator shall report production data to MMS pursuant to 30 CFR 216.5 using form MMS/3160.

The date on which production is commenced or resumed will be construed for oil wells as the date on which liquid hydrocarbons are first sold or shipped from a temporary storage facility, such as a test tank, and for which a run ticket is required to be generated or, the date on which liquid hydrocarbons are first produced into a permanent storage facility, whichever first occurs; and, for gas wells as the date on which associated liquid hydrocarbons are first sold or shipped from a temporary storage facility, such as a test tank, and for which a run ticket is required to be generated or, the date on which gas is first measured through permanent metering facilities, whichever first occurs.

Should gas be vented or flared without approval beyond the authorized test period, the operator may be directed to shut-in the well until the gas can be captured or approval to continue venting or flaring as uneconomic is granted and the operator shall be required to compensate the lessor for that portion of the gas vented or flared without approval which is determined to have been avoidably lost.

7. Other Information

Section 102(b)(3) of the Federal Oil and Gas Royalty Management Act of 1982, as implemented by the applicable provisions of the operating regulations at Title 43 CFR 3162.4-1(c), requires that "not later than the 5th business day after any well begins production on which royalty is due anywhere on a lease site or allocated to a lease site, or resumes production in the case of a well which has been off production for more than 90 days, the operator shall notify the authorized officer by letter or sundry notice, Form 3160-5, or orally to be followed by a letter or sundry notice, of the date on which such production has begun or resumed."

If you fail to comply with this requirement in the manner and time allowed, you shall be liable for a civil penalty of up to \$10,000 per violation for each day such violation continues, not to exceed a maximum of 20 days. See Section 109(c)(3) of the Federal Oil and Gas Royalty Management Act of 1982 and the implementing regulations at Title 43 CFR 3162.4-1(b)(5)(ii).

EPA'S LIST OF NONEXEMPT EXPLORATION AND PRODUCTION WASTES

While the following wastes are nonexempt, they are not necessarily hazardous.

Unused fracturing fluids or acids

Gas plant cooling tower cleaning wastes

Painting wastes

Oil and gas service company wastes, such as empty drums, drum rinsate, vacuum truck rinsate, sandblast media, painting wastes, spent solvents, spilled chemicals, and waste acids

Vacuum truck and drum rinsate from trucks and drums, transporting or containing nonexempt waste

Refinery wastes

Liquid and solid wastes generated by crude oil and tank bottom reclaimers

Used equipment lubrication oils

Waste compressor oil, filters, and blowdown

Used hydraulic fluids

Waste solvents

Waste in transportation pipeline-related pits

Caustic or acid cleaners

Boiler cleaning wastes

Boiler refractory bricks

Incinerator ash

Laboratory wastes

Sanitary wastes

Pesticide wastes

Radioactive tracer wastes

Drums, insulation and miscellaneous solids.

CONDITIONS OF APPROVAL
FOR THE SURFACE USE PROGRAM OF THE
APPLICATION FOR PERMIT TO DRILL

-The access road will be crowned at between 2 to 3%. When snow is removed from the road during the winter months, the snow will be pushed outside of the burrow ditches and the turn outs shall be kept clear so that when the snow melts the water will be channeled away from the road.

-The location topsoil pile will be seeded immediately after the soil is piled by broadcasting the seed, then walking the topsoil pile with the dozer to plant the seed. The seed mix provided in the APD under section 10 of the surface use plan should be used instead of the straight fourwing saltbush application mentioned in the APD. All poundages are in Pure Live Seed.

-Once the reserve pit is dry, it will be filled, recontoured, topsoil spread, and seeded in the same manner discussed above.

-A pile of subsoil which can be used to construct dikes shall be left near where the access road enters the location.

-A right of way will be necessary for the construction of the pipeline.

-No construction or drilling will be allowed from March 1 to July 15 during the raptor nesting season.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
Budget Bureau No. 1004-0135
Expires: March 31, 1993

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reenter a different reservoir.
Use "APPLICATION FOR PERMIT -" for such proposals

5. Lease Designation and Serial No.
UTU-76724

6. If Indian, Allottee or Tribe Name
NA

7. If Unit or CA, Agreement Designation
NA

8. Well Name and No.
ROSEWOOD FEDERAL #19-11

9. API Well No.
43-047-33144

10. Field and Pool, or Exploratory Area
WILDCAT

11. County or Parish, State
UINTAH CO., UTAH

SUBMIT IN TRIPLICATE

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

CONFIDENTIAL

2. Name of Operator
ROSEWOOD RESOURCES, INC.

3. Address and Telephone No.
P.O. Box 1668, Vernal, UT 435-789-0414

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
2065' FSL 1833' FWL NESW SECTION 19, T12S, R22E

12. CHECK APPROPRIATE BOX(es) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

☐ Notice of Intent
☒ Subsequent Report
☐ Final Abandonment Notice

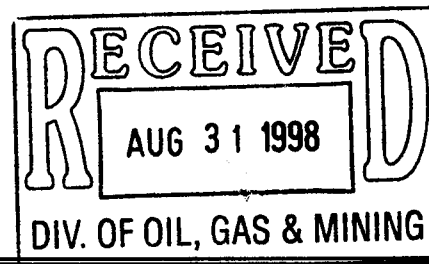
TYPE OF ACTION

☐ Abandonment
☐ Recompletion
☐ Plugging Back
☐ Casing Repair
☐ Altering Casing
☒ Other Spud
☐ Change of Plans
☐ New Construction
☐ Non-Routine Fracturing
☐ Water Shut-Off
☐ Conversion to Injection
☐ Dispose Water

(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

Operator reports the above referenced well was spud on 8/19/98 @ 10:00 P.m. by Bill Jr's Rathole Service.
(See attached report for setting of surface casing.)



COPIES: ORIG. & 2-BLM; DIV. OG&M; J MCQUILLEN

14. I hereby certify that the foregoing is true and correct

Signed

Rosey Nessen

Title Administrative Assistant

Date 08/26/98

(This space for Federal or State office use)

Approved by

Title

Date

Conditions of approval, if any:

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

***See Instructions on Reverse Side**

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
Budget Bureau No. 1004-0135
Expires: March 31, 1993

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reenter a different reservoir.
Use "APPLICATION FOR PERMIT -" for such proposals

5. Lease Designation and Serial No.
UTU-76724

6. If Indian, Allottee or Tribe Name
NA

7. If Unit or CA, Agreement Designation
NA

8. Well Name and No.
ROSEWOOD FEDERAL #19-11

9. API Well No.
43-047-33144

10. Field and Pool, or Exploratory Area
WILDCAT

11. County or Parish, State
UINTAH CO., UTAH

SUBMIT IN TRIPLICATE

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

CONFIDENTIAL

2. Name of Operator

ROSEWOOD RESOURCES, INC.

3. Address and Telephone No.

P.O. Box 1668, Vernal, UT 435-789-0414

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

2065' FSL 1833' FWL NESW SECTION 19, T12S, R22E

12. CHECK APPROPRIATE BOX(es) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

☐ Notice of Intent
☒ Subsequent Report
☐ Final Abandonment Notice

TYPE OF ACTION

☐ Abandonment
☐ Recompletion
☐ Plugging Back
☐ Casing Repair
☐ Altering Casing
☒ Other WEEKLY

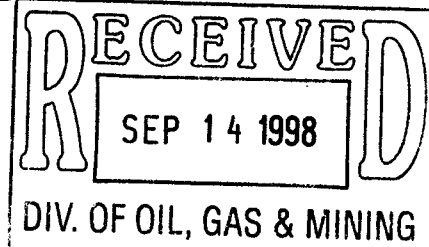
☐ Change of Plans
☐ New Construction
☐ Non-Routine Fracturing
☐ Water Shut-Off
☐ Conversion to Injection
☐ Dispose Water

(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

WEEKLY STATUS -MIRU CHANDLER RIG #1 9/2/98. DRILLED TO TD @ 5600'; RAN AND CEMENTED 4-1/2" CSG. CHANDLER RIG RELEASED @ 7:00 P.M. 8/9/98. SEE ATTACHED RIG REPORTS.

RENT STATUS - WAITING ON COMPLETION RIG.



COPIES: ORIG. & 2-BLM; DIV. OG&M; J MCQUILLEN

14. I hereby certify that the foregoing is true and correct

Signed

[Signature]

Title Administrative Assistant

Date 09/11/98

(This space for Federal or State office use)

Approved by

Title

Date

Conditions of approval, if any:

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

*See Instructions on Reverse Side

DAILY DRILLING REPORT

LEASE: ROSEWOOD FEDERAL
WELL: #19-11
RIG: Chandler Rig #1
PRESENT OPERATION: DRLG

DATE: 9-03-98

CURRENT DEPTH	560
PROPOSED TD	5600
FOOTAGE PAST 24 HRS	20
ENGINEER	D.WIDNER
CONSULTANT	BO SHERMAN

FROM	TO	ACTIVITY PAST 24 HRS:
------	----	-----------------------

[illegible]**MUD PROPERTIES:**

WT	WATER	% OIL	
VIS		%SAND	
WL		%SOLID	
GELS		ALK	
PV		CI-	
YP			

Ca+	
cake	
pH	

DAILY MUD COST	
CUM. MUD COST	

DAILY COSTS:

FOOTAGE	574
DAYWORK	
LOCATION	
MUD	
RIG MOVE	
SURVEYOR	
LOGGING	
MUD LOG	500
CEMENTING	
FLOAT EQUIP	
WATER	
CASING HANGER	
CSG CREW	
RENTALS	500
CASING	
SUPERVISION	500
CASING HEAD	962

PUMP DATA:

	1	2
MAKE	EMSCO	G/D
MODEL	D500	DZ8
LINER	5 1/2	6 1/2
SPM		395
PSI		700

HYDRAULICS:

WOB	30
RPM	55/110
GPM	120

BIT RECORD:

	RR	
Bit #	1	2
Ser#	LT0647	
Size	7 7/8	
Make	STC	
Type	F3M	
Jets	3.16	
In @	540	
Out @		
Feet	20	
Hrs	1/2	
Ft/Hr	40	
CUM	1/2	
Grade		

TELEDRIFT SURVEY DATA:[illegible]

ADDITIONAL COMMENTS:

DAILY DRILLING REPORT

CURRENT DEPTH 5600 TD

PROPOSED TD	5600 TD
-------------	---------

FOOTAGE PAST 24 HRS 278

ENGINEER D. WIDNER

CONSULTANT BO SHERMAN

FROM	TO	ACTIVITY PAST 24 HRS:
01/01/2025	01/02/2025	
01/02/2025	01/03/2025	
01/03/2025	01/04/2025	
01/04/2025	01/05/2025	
01/05/2025	01/06/2025	
01/06/2025	01/07/2025	
01/07/2025	01/08/2025	
01/08/2025	01/09/2025	
01/09/2025	01/10/2025	
01/10/2025	01/11/2025	
01/11/2025	01/12/2025	
01/12/2025	01/01/2026	

[illegible]**MUD PROPERTIES:**

WT	9.6	% OIL	
VIS	46	%SAND	1%
WL	9.6	%SOLID	8.4
GELS		ALK	.5
PV	14	CI-	400
YP	10		

Ca+
cake
pH

40
2/32
9.5

DAILY MUD COST	1786
CUM. MUD COST	8990

DAILY COSTS:

FOOTAGE	3990
DAYWORK	2152
LOCATION	
MUD	1786
RIG MOVE	
SURVEYOR	
LOGGING	
MUD LOG	500
CEMENTING	
FLOAT EQUIP	
WATER	
CASING HANGER	
CSG CREW	
RENTALS	500
CASING	
SUPERVISION	500
DC INSPECTION	

PUMP DATA:

	1	2
MAKE	EMSCO	G/D
MODEL	D500	DZ8
LINER	5 1/2	6 1/2
SPM		110
PSI		1300

HYDRAULICS:

WOB	40
RPM	60/110
GPM	350

BIT RECORD:

	2	3
Bit #		
Ser#	LT0649	JA8108
Size	7 7/8	7 7/8
Make	STC	STC
Type	F3H	MR 316
Jets	3-16	6-14/3-12
In @	5374	2936
Out @	5600	5374
Feet	226	2438
Hrs	8 1/2	62 1/2
Ft/Hr	26.5	39
CUM	98 1/2	90
Grade		worn out

TELEDRIFT SURVEY DATA:[illegible]

ADDITIONAL COMMENTS:

TOTAL DAILY	9428
COST FORWARD	145906
CUM.TO DATE	155334

DAILY DRILLING REPORT

LEASE: ROSEWOOD FEDERAL

DATE: 9-09-98

WELL: #19-11

RIG: Chandler Rig #1

PRESENT OPERATION: CLEAN MUD TANKS

CURRENT DEPTH 5600 TD

PROPOSED TD	5600 TD
1	1
2	2
3	3
4	4
5	5
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95	95
96	96
97	97
98	98
99	99
100	100

FOOTAGE PAST 24 HRS 0

ENGINEER D. WIDNER

CONSULTANT BO SHERMAN

FROM	TO	ACTIVITY PAST 24 HRS:
1	2	3
4	5	6
7	8	9
10	11	12
13	14	15
16	17	18
19	20	21
22	23	24
25	26	27
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31	32	33
34	35	36
37	38	39
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43	44	45
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52	53	54
55	56	57
58	59	60
61	62	63
64	65	66
67	68	69
70	71	72
73	74	75
76	77	78
79	80	81
82	83	84
85	86	87
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262	263	264
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322	323	324
325	326	327
328	329	330
331	332	333
334	335	336
337	338	339
340	341	342
343	344	345
346	347	348
349	350	351
352	353	354
355	356	357
358	359	360
361	362	363
364	365	366

0600	1230	LOGGING WITH SCHLUMBERGER.
1230	1500	TRIP IN (PICK UP 3 JTS DRILL PIPE).
1500	1700	CIRC.
1700	2130	LAY DOWN DRILL PIPE & DRILL COLLARS. PULL WEAR RINGS.
2130	0300	RUN 4 1/2 11.6# N 80 CASING.
0300	0130	CIRC.
0130	0300	CEMENT WITH HALLIBURTON.
0300	0400	NIPPLE DOWN, SET SLIPS, CUT OFF (70,000# ST WT).
0400	0600	CLEAN MUD TANKS.
		CASING DETAIL: RAN (1) SHOE (1) SHOE JT, (1) FLOAT COLLAR 131 JTS 4 1/2 CASING 11.60# N 80 TO 5594'
		PIPE SET AT 5575' G.L. SHOE JT 42.45 '. CEMENT DETAIL: PUMP 10 BBLS H2O, 10 BBLS SUPER FLUSH,
		10 BBLS H2O, 350 SKS HALCO LITE + 1% ECONOLITE 25# SK FLORIDE, 2% MICROBOND + 3% SALT
		12.4# PER GAL (TAIL) PUMP 625 SKS CLASS G + 3% CFR + .25# SK FLOCELE, + .5% HALAD 9 + 2%
		GEL + 2% MICROBOND 14.5 # PER GAL, GOOD RETURNS, RETURNED 24 BBLS CEMENT TO PIT
		BUMP PLUG. FLOAT HELD.

MUD PROPERTIES:

WT		% OIL		Ca- cake pH		DAILY MUD COST	230
VIS		%SAND					
WL		%SOLID					
GELS		ALK				CUM. MUD COST	9220
PV		Cl-					
YP							

DAILY COSTS:

FOOTAGE	6450
DAYWORK	
LOCATION	
MUD	230
RIG MOVE	
SURVEYOR	
LOGGING	22268
MUD LOG	500
CEMENTING	18083
FLOAT EQUIP	
WATER	570
CASING HANGER	
CSG CREW	6935
RENTALS	500
CASING	26824
SUPERVISION	500
CASING HEAD	1136

PUMP DATA:

	1	2
MAKE	OMEGA	EMACO
MODEL	750	500
LINER	6X6.5	7X8
SPM		
PSI		

HYDRAULICS:

WOB	
RPM	
GPM	

BIT RECORD:

	2	3
Bit #		
Ser#		
Size		
Make		
Type		
Jets		
In @		
Out @		
Feet		
Hrs		
Ft/Hr		
CUM		
Grade		

TELEDRIFT SURVEY DATA:[illegible]

ADDITIONAL COMMENTS:

TOTAL DAILY	83996
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COST FORWARD 155334

CUM.TO DATE 239330

DAILY DRILLING REPORT

DATE: 9-10-98

CURRENT DEPTH 5600 TD

PROPOSED TD	5600 TD
1	1
2	2
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FOOTAGE PAST 24 HRS	0
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ENGINEER D. WIDNER

CONSULTANT BO SHERMAN

FROM	TO	ACTIVITY PAST 24 HRS:
10/10/2017	10/10/2017	10/10/2017

[illegible]

DAILY COSTS:

WT		% OIL		Ca+ cake pH
VIS		%SAND		
WL		%SOLID		
GELS		ALK		
PV		Cl-		
YP				

DAILY MUD COST	
CUM. MUD COST	
1	1
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100	100

FOOTAGE	
DAYWORK	1075
LOCATION	
MUD	
RIG MOVE	
SURVEYOR	
LOGGING	
MUD LOG	
CEMENTING	
FLOAT EQUIP	
WATER	
CASING HANGER	
CSG CREW	
RENTALS	120
CASING	
SUPERVISION	500
CASING HEAD	
TOTAL DAILY	1695
COST FORWARD	239330
CUM.TO DATE	241025

HYDRAULICS:

	1	2
MAKE	OMEGA	EMACO
MODEL	750	500
LINER	6X6.5	7X6
SPM		
PSI		

WOB	
RPM	
GPM	

TELEDRIFT SURVEY DATA:

	2	3
Bit #		
Ser#		
Size		
Make		
Type		
Jets		
In @		
Out @		
Feet		
Hrs		
Ft/Hr		
CUM		
Grade		

[illegible]

ADDITIONAL COMMENTS:

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
Budget Bureau No. 1004-0135
Expires: March 31, 1993

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reenter a different reservoir.
Use "APPLICATION FOR PERMIT -" for such proposals

5. Lease Designation and Serial No.
UTU-76724

6. If Indian, Allottee or Tribe Name
NA

7. If Unit or CA, Agreement Designation
NA

8. Well Name and No.
ROSEWOOD FEDERAL #19-11

9. API Well No.
43-047-33144

10. Field and Pool, or Exploratory Area
WILDCAT

11. County or Parish, State
UINTAH CO., UTAH

SUBMIT IN TRIPLICATE

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

CONFIDENTIAL

2. Name of Operator
ROSEWOOD RESOURCES, INC.

3. Address and Telephone No.
P.O. Box 1668, Vernal, UT 435-789-0414

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
2065' FSL 1833' FWL NESW SECTION 19, T12S, R22E

12. CHECK APPROPRIATE BOX(es) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

☐ Notice of Intent
☒ Subsequent Report
☐ Final Abandonment Notice

TYPE OF ACTION

☐ Abandonment
☐ Recompletion
☐ Plugging Back
☐ Casing Repair
☐ Altering Casing
☒ Other WEEKLY
☐ Change of Plans
☐ New Construction
☐ Non-Routine Fracturing
☐ Water Shut-Off
☐ Conversion to Injection
☐ Dispose Water

(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

WEEKLY STATUS - MIRU Pool Well Service completion rig 10/28/98. SEE ATTACHED RIG REPORTS.

CURRENT STATUS - Producing. Future production will be reported on MMS-3160 monthly production report.

COPIES: ORIG. & 2-BLM; DIV. OG&M; J MCQUILLEN

14. I hereby certify that the foregoing is true and correct

Signed

[Signature]

Title **Administrative Assistant**

Date **11/30/98**

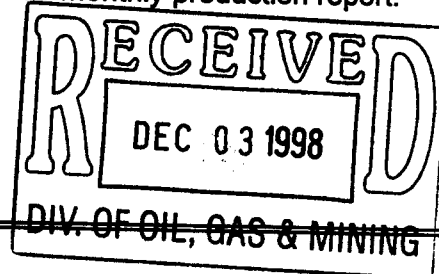
(This space for Federal or State office use)

Approved by

Title

Date

Conditions of approval, if any:



Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

***See Instructions on Reverse Side**

ROSEWOOD RESOURCES, INC.**Daily Completion Report****WELL NAME: ROSEWOOD FEDERAL #19-11****DATE: 11/30/98****DEPTH: 5600****PBTD 5533'****PERFS: 4670' - 77'****Lease #: UTU 76724****Location: NE/SW SEC19,12S,R22E****County: Uintah Co., Utah****PACKER: 4581'****RBP:****CIBP:****EOT: 4599'****Engineer
Consultant****D. Widner
T. THURSTON****10/29/98**

MIRU POOL WELL SERVICE RIG #824. SET TANKS AND PIPE RACKS, UNLOADED TBG ON RACKS. NU BOP'S, MOVED 3% KCL WATER TO FRAC TANKS. PU AND RIH W/ 3 7/8" BIT, 4 1/2" CSG SCRAPER ON 179 JTS 2 3/8" TBG, TAGGED TD @ 5533'. PULLED 1 JT. TBG TO 5510', HOOKED UP ALL PUMP AND FLOW LINES. SHUT DOWN FOR DAY.

Daily cost \$17,501 cum. cost \$258,526

10/30/98

THIS A.M., CIRCULATED HOLE CLEAN W/ 80 BBLS 3% KCL, POOH W/ TBG, LAYED DOWN BIT AND SCRAPER. RU SCHLUMBERGER RAN CEMENT BOND LOG, MAX RUN DEPTH 5528', TOP OF GOOD CEMENT @ 2300', TOP OF CEMENT SURFACE. GOOD CEMENT ACROSS ALL ZONES OF INTEREST. SHUT DOWN TILL 11/3/98, WAITING ON PIPE LINE.

Daily cost \$11,272 cum. cost \$269,798

11/4/98

THIS A.M. RIGGED UP SCHLUMBERGER. PERFORATED 4670' TO 4677' W/ 3 1/2" HSD-UDP CSG GUN. 7' - 4 SPF 28 HOLES. WELL STARTING BUILDING PSI. RIH ON WIRELINE. GLASS DISC, XN NIPPLE, AND ARROW SET 1X PKR. SET PKR @ 4581'. CSG PSI HAD BUILT TO 570#. BLEED OF PSI. RIH W/ RETRIVING HEAD. 1 JT. TBG, X-NIPPLE AND 147 JTS 2 3/8" TBG. LATCHED ON TO PKR. LANDED TBG ON THE HANGER. GLASS DISC @ 4599'. XN NIPPLE @ 4598'. PKR @ 4581' AND X-NIPPLE @ 4556'. TESTED PKR TO 2000#. HELD OK. N/D BOP'S. N/U WELL HEAD. FILL TBG & PRESSURE TO 400#. DROP BAR & BREAK GLASS DISC. OPENED WELL TO PIT. NO FLOW. R/U & SWAB. MADE 1 SWAB RUN. WELL STARTED FLOWING. TBG BLEW DRY IN 1 HOUR. INSTALL 16/64" CHOKE & FLOW TEST 1 HOUR. FTP @ 1550#. EST. MCF 2115. NO FLUID. SION

Daily cost \$6,910 cum. cost \$276,708

11/5/98

THIS A.M. SITP 1750#. OPENED TO TANK ON 18/64" CHOKE. COULD NOT GET A STABLE RATE DUE TO CHOKE AND FLOW LINE FREEZING. IN 22/64" CHOKE FOR 1 HR. PSI PULLED TO 900# AND BUILT BACK UP TO 1150# DUE TO FLOW LINE FREEZING. RECOVERED NO FLUID. HOOKED UP WELL HEAD TO FLOW LINE. RIGGED DOWN COMPLETION RIG. RACKED OUT ALL EQUIPMENT TO MOVE TO ROCK HOUSE #4. PUT WELL ON PROD @ 10.00 A.M. WELL FLOWING THRU 16/64" CHOKE, FTP 1500#. GAS PROD 1600 MCFD RATE.

Daily cost \$1,638 cum. cost \$278,346

11/5/98 FTP 1440# FOR 23 HRS ON 16/64" CHOKE, MADE 1485 MCF, 0 BBLS WATER AND 6.68 BBLS CONDENSATE.

Daily cost cum. cost \$278,346

11/6/98 FTP 1420# FOR 24 HRS ON 16/64" CHOKE, MADE 1391 MCF, 0 BBLS WATER AND 6.68 BBLS CONDENSATE.

11/7/98 FTP 1340# FOR 24 HRS ON 16/64" CHOKE, MADE 1462 MCF, 0 BBLS WATER AND 6.68 BBLS CONDENSATE.

11/8/98 FTP 1340# FOR 24 HRS ON 16/64" CHOKE, MADE 1557 MCF, 0 BBLS WATER AND 6.68 BBLS CONDENSATE.

Daily cost \$0 cum. cost \$278,346

11/10/98

11/9/98 FTP 1240# FOR 24 HRS ON 16/64" CHOKE, MADE 1724 MCF, 0 BBLS WATER AND 6.68 BBLS CONDENSATE.

Daily cost \$0 cum. cost \$278,346

11/11/98

11/10/98 FTP 1200# FOR 24 HRS ON 16/64" CHOKE, MADE 1720 MCF, 0 BBLS WATER AND 6.68 BBLS CONDENSATE.

Daily cost \$0 cum. cost \$278,346

11/12/98

11/11/98 FTP 1160# FOR 24 HRS ON 16/64" CHOKE, MADE 1708 MCF, 0 BBLS WATER AND 5.01 BBLS CONDENSATE.

Daily cost \$0 cum. cost \$278,346

STATE OF UTAH
DIVISION OF OIL, GAS AND MINING
ENTITY ACTION FORM - FORM 6

OPERATOR ROSEWOOD RESOURCES, INC.
ADDRESS P.O. BOX 1668
VERNAL, UT 84078

OPERATOR ACCT. NO. N7510

ACTION CODE	CURRENT ENTITY NO.	NEW ENTITY NO.	API NUMBER	WELL NAME	WELL LOCATION					SPUD DATE	EFFECTIVE DATE
					QQ	SC	TP	RG	COUNTY		
A	99999	12450	4304733132	Rosewood Federal #5-6	SEnw	5	12S	22E	Uintah	8/6/98	8/6/98
WELL 1 COMMENTS: CONFIDENTIAL											
A	99999	12451	4304733131	Rosewood Federal #14-6	SEnw	14	12S	22E	Uintah	8/17/98	8/17/98
WELL 2 COMMENTS: CONFIDENTIAL											
A	99999	12452	4304733144	Rosewood Federal #19-11	NEsw	19	12S	22E	Uintah	8/19/98	8/19/98
WELL 3 COMMENTS: CONFIDENTIAL											
WELL 4 COMMENTS:											
WELL 5 COMMENTS:											

ACTION CODES (See Instructions on back of form)

- A - Establish new entity for new well (single well only)
- B - Add new well to existing entity (group or unit well)
- C - Re-assign well from one existing entity to another existing entity
- D - Re-assign well from one existing entity to a new entity
- E - Other (explain in comments section)

NOTE: Use COMMENT section to explain why each Action Code was selected.

(3/89)

Lucy Nesbitt
Signature
Admin. Assistant
Title
Date
Phone No. 435, 789-0414

Aug-26-98 05:08P Rosewood Resources

435-789-0497

P.02

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
Budget Bureau No. 1004-0135
Expires: March 31, 1993

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reenter a different reservoir.
Use "APPLICATION FOR PERMIT -" for such proposals

5. Lease Designation and Serial No.
UTU-76724

6. If Indian, Allottee or Tribe Name
NA

7. If Unit or CA, Agreement Designation
NA

8. Well Name and No.
ROSEWOOD FEDERAL #19-11

9. API Well No.
43-047-33144

10. Field and Pool, or Exploratory Area
WILDCAT

11. County or Parish, State
UINTAH CO., UTAH

SUBMIT IN TRIPLICATE

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

CONFIDENTIAL

2. Name of Operator
ROSEWOOD RESOURCES, INC.

3. Address and Telephone No.
P.O. Box 1668, Vernal, UT 435-789-0414

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
2065' FSL 1833' FWL NESW SECTION 19, T12S, R22E

12. CHECK APPROPRIATE BOX(es) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

☐ Notice of Intent
☒ Subsequent Report
☐ Final Abandonment Notice

TYPE OF ACTION

☐ Abandonment
☐ Recompletion
☐ Plugging Back
☐ Casing Repair
☐ Altering Casing
☒ Other _____
☐ Change of Plans
☐ New Construction
☐ Non-Routine Fracturing
☐ Water Shut-Off
☐ Conversion to Injection
☒ Dispose Water

(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

Produced water will be tanked on location and then trucked to the state approved TU & FRUM Disposal Facility located in Section 12, T5S, R19E, Uintah County. Produced water will be reported on the Monthly MMS-3160 Form.

COPIES: ORIG. & 2-BLM; DIV. OG&M; J MCQUILLEN

14. I hereby certify that the foregoing is true and correct

Signed Luz Neme Title Administrative Assistant

Date 11/30/98

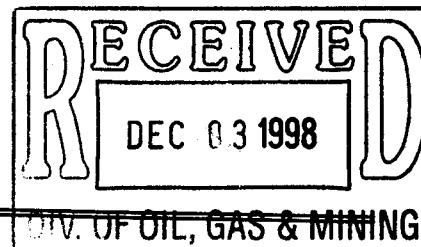
(This space for Federal or State office use)

Approved by _____ Title _____ Date _____

Conditions of approval, if any:

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

***See Instructions on Reverse Side**



UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
Budget Bureau No. 1004-0135
Expires: March 31, 1993

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reenter a different reservoir.
Use "APPLICATION FOR PERMIT -" for such proposals

5. Lease Designation and Serial No.
UTU-76724

6. If Indian, Allottee or Tribe Name
NA

7. If Unit or CA, Agreement Designation
NA

8. Well Name and No.
ROSEWOOD FEDERAL #19-11

9. API Well No.
43-047-33144

10. Field and Pool, or Exploratory Area
WILDCAT

11. County or Parish, State
UINTAH CO., UTAH

SUBMIT IN TRIPLICATE

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

CONFIDENTIAL

2. Name of Operator
ROSEWOOD RESOURCES, INC.

3. Address and Telephone No.
P.O. Box 1668, Vernal, UT 435-789-0414

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
2065' FSL 1833' FWL NESW SECTION 19, T12S, R22E

12. CHECK APPROPRIATE BOX(es) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

☐ Notice of Intent
☒ Subsequent Report
☐ Final Abandonment Notice

TYPE OF ACTION

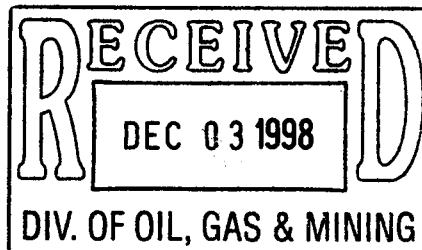
☐ Abandonment
☐ Recompletion
☐ Plugging Back
☐ Casing Repair
☐ Altering Casing
☒ Other Well put on prod
☐ Change of Plans
☐ New Construction
☐ Non-Routine Fracturing
☐ Water Shut-Off
☐ Conversion to Injection
☐ Dispose Water

(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

Operator reports the above referenced well was placed on production on 11/4/98 @ 10:00 a.m.

Initial 24 hr production: 1391 MCF/D; 6.68 bbls. Condensate; 0 bbls. Water
16/64" choke. FTP 1420#



COPIES: ORIG. & 2-BLM; DIV. OG&M; J MCQUILLEN

14. I hereby certify that the foregoing is true and correct

Signed Luz Verna Title Administrative Assistant Date 11/30/98

(This space for Federal or State office use)

Approved by _____ Title _____ Date _____

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***See Instructions on Reverse Side**

SUBMIT IN DUPLICATE*
(See other instructions on reverse side)FORM APPROVED
OMB NO. 1004-0137
Expires: February 28, 1995UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT5. LEASE DESIGNATION AND SERIAL NO.
UTU-767246. IF INDENT, REELECTRIFY OR TRADE NAME
N/A7. UNIT AGREEMENT NAME
N/A8. FARM OR LEASE NAME, WELL NO.
ROSEWOOD FED #19-119. API WELL NO.
43-047-3314410. FIELD AND POOL OR WILDCAT
WILDCAT11. SEC., T., R., M., OR BLOCK AND SURVEY
OR AREA
SEC. 19, T12S, R22EBlock & Survey: **S.L.B. & M**12. COUNTY OR PARISH
UINTAH13. STATE
UTAH19. ELEV. CASINGHEAD
6175' KB25. WAS DIRECTIONAL
SURVEY MADE
NO27. WAS WELL CORED
NO

WELL COMPLETION OR RECOMPLETION REPORT AND LOG*

1a. TYPE OF WORK

1b. TYPE OF WELL

OIL
WELL ☐GAS
WELL ☒DRY ☐

Other

CONFIDENTIAL

Other

NEW
WELL ☒TURN
OVER ☐DEEP
EN ☐FLOW
BACK ☐DIFF.
RESVR. ☐

2. NAME OF OPERATOR

ROSEWOOD RESOURCES, INC.

3. ADDRESS AND TELEPHONE NO.

P.O. BOX 1668, VERNAL, UT 84078**435-789-0414**

4. LOCATION OF WELL (Report locations clearly and in accordance with any State requirements.)

At Surface

2065' FSL 1833' FWL NE/SW SE/NW

At top prod. Interval reported below

At total depth

14. PERMIT NO.

DATE ISSUED

8/3/9815. DATE SPURRED
8/19/9816. DATE T.D. REACHED
9/7/9817. DATE COMPL. (Ready to prod.)
11/4/9818. ELEVATIONS (DF, RKB, RT, GR, ETC.)
6160' GR

20. TOTAL DEPTH, MD & TVD

5600' MD

TVD

21. PLUG, BACK T.D., MD & TVD

5533' MD

TVD

22. IF MULTIPLE COMPL.,
HOW MANY*

23. INTERVALS

ROTARY TOOLS

CABLE TOOLS

DRILLED BY

530' - 5600'**NA**

24. PRODUCING INTERVAL(S), OF THIS COMPLETION--TOP, BOTTOM, NAME (MD AND TVD)*

WASATCH 4670' - 77'**CONFIDENTIAL
PERIOD
EXPIRED
ON 12-4-99**

26. TYPE ELECTRIC AND OTHER LOGS RUN

AI/LC/GR, CNLD/GR, ML, MUD LOG, CBL**9-16-98**

23.

CASING RECORD (Report all strings set in well)

CASING SIZE/GRADE	WEIGHT, LB./FT.	DEPTH SET (MD)	HOSE SIZE	TOP OF CEMENT, CEMENTING RECORD	AMOUNT PULLED
9-5/8" J-55	36#	525.5' GL	12 1/4"	SURF-300 SX Class "G" + ADD	NONE
4-1/2 N-80	11.60#	5575' GL	7 7/8"	350 SX "G" + 625 SX "G"	

29.

LINER RECORD

SIZE	TOP (MD)	BOTTOM (MD)	SACKS CEMENT*	SCREEN (MD)

30.

TUBING RECORD

SIZE	DEPTH SET (MD)	PACKER SET (MD)
2 3/8"	4599'	4581'

31. PERFORATION RECORD (Interval, size and number)

**INTERVAL
4670' - 77'****SIZE
0.46****NUMBER
28**

32. ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC.

DEPTH INTERVAL (MD)	AMOUNT AND KIND OF MATERIAL USED

33.*

PRODUCTION

DATE FIRST PRODUCTION 11/4/98		PRODUCTION METHOD (Flowing, gas lift, pumping—size and type of pump) FLOWING					WELL STATUS (Producing or shut-in) PROD	
DATE OF TEST 11/6/98	HOURS TESTED 24	CHOKE SIZE 16/64"	PROD'N. FOR TEST PERIOD →	OIL—BBL. 7	GAS—MCF. 1391	WATER—BBL. 0		GAS-OIL RATIO
FLOW. TUBING PRESS. 1420#	CASING PRESSURE	CALCULATED 24-HOUR RATE →	OIL—BBL. 7	GAS—MCF. 1391		WATER—BBL. 0		OIL GRAVITY-API (CORR.)

34. DISPOSITION OF GAS (Sold, used for fuel, vented, etc.)

SALES/FUELTEST WITNESSED BY
IVAN SADLER

35. LIST OF ATTACHMENTS

36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records

SIGNED

[Signature]

TITLE

ADMINISTRATIVE ASISTANT

DATE

12/11/98

*(See Instructions and Spaces for Additional Data on Reverse Side)

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37. SUMMARY OF POROUS ZONES: (Show all important zones of porosity and contents thereof, cored intervals, and all drill-stem, tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures, and recoveries);	38. GEOLOGIC MARKERS				
	FORMATION	TOP	BOTTOM	DESCRIPTION, CONTENTS, ETC.	<div> <div>NAME</div> <div>MEAS. DEPTH</div> <div>TRUE VERT. DEPTH</div> </div>
<p>COPIES: BLM - VERNAL/ORIG. & 2 COPIES; DIV. OG&M - DALLAS 1 COPY;</p>					<div> <div>WASATCH</div> <div>3065'</div> <div>5050'</div> </div>

COPIES: BLM - VERNAL/ORIG. & 2 COPIES; DIV. OG&M - DALLAS 1 COPY;

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
Budget Bureau No. 1004-0135
Expires: March 31, 1993

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reenter a different reservoir.
Use "APPLICATION FOR PERMIT -" for such proposals

5. Lease Designation and Serial No.

UTU-76724

6. If Indian, Allottee or Tribe Name

N/A

7. If Unit or CA, Agreement Designation

NA

8. Well Name and No.

ROSEWOOD FED #19-11

9. API Well No.

43-047-33144

10. Field and Pool, or Exploratory Area

11. County or Parish, State

UINTAH CO., UTAH

SUBMIT IN TRIPLICATE

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

CONFIDENTIAL

2. Name of Operator

ROSEWOOD RESOURCES, INC.

3. Address and Telephone No.

P.O. Box 1668, Vernal, UT 435-789-0414

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

NESW Section 19, T12S, R22E

12. CHECK APPROPRIATE BOX(es) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

☐ Notice of Intent
☒ Subsequent Report
☐ Final Abandonment Notice

TYPE OF ACTION

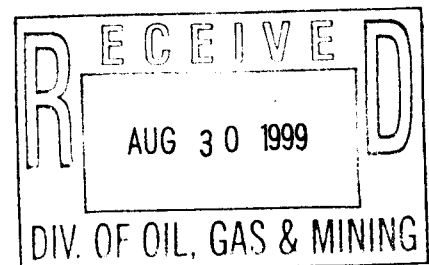
☐ Abandonment
☐ Recompletion
☐ Plugging Back
☐ Casing Repair
☐ Altering Casing
☒ Other PERFORATE
☐ Change of Plans
☐ New Construction
☐ Non-Routine Fracturing
☐ Water Shut-Off
☐ Conversion to Injection
☐ Dispose Water

(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

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Rosewood Resources reports that on 8/24/99 we perforated an additional interval 4679' - 89' in the Wasatch formation with a 1 11/16" enerjet perforating gun, 4 SPF, 40 holes total. The well was placed back on production.

Current producing interval: Wasatch 4670' - 77'; 4679' - 89'



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14. I hereby certify that the foregoing is true and correct

Signed

Lucy Nemes

Title Administrative Assistant

Date 08/26/99

(This space for Federal or State office use)

Approved by

Title

Date

Conditions of approval, if any:

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING		FORM 9
SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		5. LEASE DESIGNATION AND SERIAL NUMBER: UTU-76724
1. TYPE OF WELL Gas Well		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
2. NAME OF OPERATOR: ROSEWOOD RESOURCES INC		7. UNIT or CA AGREEMENT NAME:
3. ADDRESS OF OPERATOR: PO Box 1668 , Vernal , UT, 84078		8. WELL NAME and NUMBER: ROSEWOOD FED 19-11
4. LOCATION OF WELL FOOTAGES AT SURFACE: 2065 FSL 1833 FWL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: NESW Section: 19 Township: 12.0S Range: 22.0E Meridian: S		9. API NUMBER: 43047331440000
PHONE NUMBER: 435 789-0414 Ext		9. FIELD and POOL or WILDCAT: BUCK CANYON
COUNTY: UINTAH		STATE: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> NOTICE OF INTENT Approximate date work will start: 11/21/2015	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> CASING REPAIR	
<input type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion:	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> CHANGE WELL NAME	
<input type="checkbox"/> SPUD REPORT Date of Spud:	<input checked="" type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> CONVERT WELL TYPE	
<input type="checkbox"/> DRILLING REPORT Report Date:	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> NEW CONSTRUCTION	
	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> PLUG BACK	
	<input type="checkbox"/> PRODUCTION START OR RESUME	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION	
	<input type="checkbox"/> REPERFORATE CURRENT FORMATION	<input type="checkbox"/> SIDETRACK TO REPAIR WELL	<input type="checkbox"/> TEMPORARY ABANDON	
	<input type="checkbox"/> TUBING REPAIR	<input type="checkbox"/> VENT OR FLARE	<input type="checkbox"/> WATER DISPOSAL	
	<input type="checkbox"/> WATER SHUTOFF	<input type="checkbox"/> SI TA STATUS EXTENSION	<input type="checkbox"/> APD EXTENSION	
	<input type="checkbox"/> WILDCAT WELL DETERMINATION	<input type="checkbox"/> OTHER	OTHER: <input style="width: 100px;" type="text"/>	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.
 Please change this well to shut in status. It was shut in on 11/21/2015 due to economic instability. Thank you Jill

Accepted by the
 Utah Division of
 Oil, Gas and Mining
FOR RECORD ONLY
 January 06, 2016

NAME (PLEASE PRINT) Jill Henrie	PHONE NUMBER 435 789-0414	TITLE Administravtive Assistant
SIGNATURE N/A	DATE 1/5/2016	